

The NATIONAL UNDERWRITER

Life Insurance Edition



Their future . . . friend or foe?

Too far away to see clearly . . . but closer than you think . . . is the future that you must build for them now. Here is a way to help make that future friendly and secure . . . and, at the same time, discover a source of strength and courage for today.

EVEN though the world is troubled—even though today's demands are many and heavy—there is no time to wait in building a *tomorrow* for those you love.

That job must be carried on today—now.

It must be carried on by every husband and father who knows that his family will need money for living, come what may.

It is a job that, in the doing, pays rich rewards. For strength and hope, courage and confidence, abide with him who not only believes in a secure and happy future . . . but who works towards it with a safe and definite plan.

In Northwestern Mutual life insurance, thousands of thoughtful men have found such a plan . . . a *sure* way to provide funds for tomorrow's necessities.

That *sureness* is evidenced in the record of the Northwestern Mutual—a company which, for more than 80 years, has kept faith with the policyholders it was founded to serve.

It is evident in the fact that, since its founding in 1857, this company has been truly mutual, giving preference to none at the expense of others.

It is evident in the record of careful stewardship which accepts no undue risks or hazards . . . which

believes that the interests of *one* are the interests of all.

It is evident, too, in the high rate of renewals by satisfied policyholders . . . and in the unusually *low-cost* insurance which careful management has made possible.

If you are looking—today—for such protection such certainty, you can do no better than to call a Northwestern Mutual agent. Let him show you why the Northwestern Mutual is regarded so highly by those who *know* life insurance best.



WE ARE

THE NORTHWESTERN MUTUAL
LIFE INSURANCE COMPANY • MILWAUKEE, WIS.

Now in its 85th Anniversary Year, the Northwestern Mutual is proud to report the payment of more than 2 billion 800 million dollars to its beneficiaries and policyholders.

This full page advertisement appeared in the November 28th issue of the Saturday Evening Post.

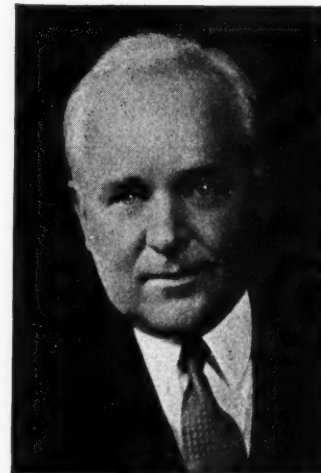
FRIDAY, DECEMBER 4, 1942

FAMILY SECURITY IS SOURCE OF STRENGTH TO THE DEMOCRACIES

Maintaining family security is important in war time.

This is recognized in Great Britain and Canada as well as the United States.

Despite high taxes, increased living expenses and sacrifices to buy their government's war bonds, not only have British and Canadian families kept their insurance in force, with lapses at the lowest in years, but they have added large amounts of new protection. Purchases of life insurance by British families increased 19% in 1941 while there was a gain of 16% in Canada.



Life Insurance is a fundamental institution of Democracy and the families of the Democracies, united in a grim struggle against Axis aggression, know that the security they have built and are continuing to build through life insurance is a source of national strength in this struggle.

The unceasing flow of benefit payments, the vital part that family security pays in building national morale, and the huge amounts of policyholder funds that the life insurance companies are placing in government securities to build planes, tanks and ships, and the funds they are providing to produce needed materials, are all important factors working for victory for the United Nations. Life Insurance dollars are thus actively aiding the war effort while providing protection for the family.

Thomas T. Parkerson
PRESIDENT

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE UNITED STATES

A Mutual Company Incorporated Under the Laws of the State of New York

393 Seventh Avenue, New York, N. Y.

The NATIONAL UNDERWRITER

Forty-sixth Year—No. 49

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, DECEMBER 4, 1942

\$3.50 Year, 20 Cents a Copy

Guertin Report Adopted Without Discussion

Commissioners Act Unanimously on Historic Life Insurance Recommendations

NEW YORK—Without a syllable of discussion the National Association of Insurance Commissioners unanimously adopted the Guertin committee report on non-forfeiture benefits and reserve standards. There were a few tense moments of silence after Harrington of Massachusetts finished reading the resolution of approval.

If anyone had started the ball rolling there might have been prolonged discussion, but none of the potential dissenters in the audience felt strongly enough on the matter to make himself the spearhead of an attack. It was over so quickly that A. N. Guertin, actuary of the New Jersey department and chairman of the non-forfeiture committee, remarked afterward, "I feel like I'd been fired."

Restriction on Stockholders

In addition to advocating that the commissioners recommend to their legislatures such legislation as may be appropriate, the resolution stated that "in the event that the reserves of any company are changed to a lower reserve standard, no benefit from such change shall accrue to the stockholders until such reserve shall have been restored to the standard from which reduced."

The resolution also provided that in view of the unusual conditions caused by the war the effective date of the legislation should be permissive on and after July 1, 1943 and mandatory not earlier than 1948.

That harmony had superseded the clash of views between Gough of New Jersey and Harrington of Massachusetts at Denver was clear when Williams of Mississippi, association president, called on Gough for a statement and Gough asked that Harrington speak instead. Harrington then presented the resolution.

The Guertin proposal in the final form submitted at Denver last June includes the recommendations of a commissioners' committee headed by Gough. It has the concurrence of the Life Presidents Association and American Life Convention. It includes two model bills, one dealing with non-forfeiture benefits and the other with valuation of reserves.

Raise Age Limit for Agents

Industrial companies are relaxing their age limit for new agents as a result of the loss of debit men to the service. Although they are not making any formal announcements the top agent limit in several cases has been extended five to 10 years.

Fulton Champions State Supervision

President of Home Life Makes Appeal in Addressing Commissioners

James A. Fulton, president of Home Life of New York, in addressing the luncheon meeting of the National Association of Insurance Commissioners in New York, made a strong plea for the continuance of the system of state supervision of insurance and he also made certain suggestions for the improvement of the system.

Insurance, he said, is about the one great business that is regulated by bodies that are close to home. "It is worth a good bit to be able to put on your hat and go down the street to talk over your joint problems with the insurance commissioner of your own state. We know from experience that it does not work that way in Washington. Their remoteness makes impossible a proper understanding of these problems. For example: We see Washington seeking the prosecution of a section of the business for taking simple steps of cooperation that are essential if they are to function under modern conditions."

Career Men Are Needed

In order to make state supervision more effective, Mr. Fulton recommended that the insurance business insistently request that out of the millions of dollars of taxes the states collect from the insurance business, they allocate an adequate amount to insurance departments to enable them to compete on an equal basis and retain men of high ability who would prefer to make a career of department work. Too often the very best of the staff of insurance departments feel compelled to leave public service and accept employment with companies because of the substantially higher scales of remuneration.

Secondly, he said, it is necessary that problems that are national rather than local in character shall be settled on a national basis through the cooperative effort of the commissioners. A splendid start has been made in the fixing of security values and adoption of uniform blanks. But there must also be reasonable uniformity in prescribed mortality tables and minimum non-forfeiture values. Some way must eventually be found to have policy forms approved by a central bureau instead of submitting them to many states. A solution of these problems requires on the part of the individual commissioners cooperation, tolerance and a spirit of compromise.

Mr. Fulton declared that freedom can be destroyed if the functions of government become too detached from the people being governed.

An unrestrained bureaucracy can destroy liberty as surely as military subjection. There has been a drift toward government by bureaus centered in Washington and remote from most of the people. He said that although he recognizes the necessities of the present situation, unless the trend is arrested and reversed, when the war is over the

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Insurers Give Victory Loan Drive Big Sendoff

NEW YORK—Life companies in the metropolitan area gave the Treasury Department's \$9,000,000,000 Victory Loan a tremendous send-off by subscribing for more than \$750,000,000 of the 2½ percent bonds due in 1968. The "Big Five" took \$730,000,000 as compared with \$455,000,000 of the August "Tap" issue and \$460,000,000 of the May "Tap" issue.

First day subscriptions for a number of companies in this area include: Metropolitan, \$225,000,000, duplicating the total of its two previous subscriptions; New York Life, \$200,000,000, an increase of \$50,000,000 over the two "Tap" purchases; Prudential, \$175,000,000, as against \$75,000,000 in August and \$150,000,000 in May; Equitable Society, \$50,000,000, bringing its purchases of government obligations for the year to \$381,500,000; Mutual Life, \$80,000,000 of the 2½'s and \$10,000,000 of the 1¾'s, added to the \$140,000,000 of the two "Tap" issues.

Also, Mutual Benefit, \$25,000,000 in addition to \$44,700,000 bought of "Tap" issues; Manhattan Life, \$900,000; United States Life, \$400,000; Guardian Life, \$4,500,000.

This subscription brings to \$400,000,000 Prudential's purchases during 1942 of long term war issues offered to institutional investors. Prudential now has total holdings of more than \$1½ billions principal amount of government issues.

Including this subscription New York Life's holdings of government issues now exceed \$1,235,000,000 principal amount.

Mutual Life's total holdings of government securities are \$618,000,000, including the latest subscription.

Pacific Mutual Life at opening of the Victory Fund drive authorized the purchase of \$10,000,000 in bonds. This was the first subscription received by the Los Angeles committee. It brings Pacific Mutual's total of government bond holdings to more than \$60,000,000.

CINCINNATI COMPANIES ACT

CINCINNATI—The three life insurance companies of Cincinnati started off the Victory Loan campaign by pledging more than \$20,000,000 at a luncheon meeting held last Monday. Thus more than one-fourth of the city's quota was pledged the first day. The pledges, announced following the meeting are: Union Central, \$13,455,000; Western & Southern, \$6,000,000, and Ohio National, \$1,000,000.

L.O.M.A. Dinner Held

More than 80, including those who hold certificates or diplomas of the L.O.M.A. Institute, their instructors and officers of the Mutual Benefit Life attended the annual L.O.M.A. dinner and presentations of awards by Vice-president Edward E. Rhodes in the home office of Mutual Benefit Life.

John S. Thompson, vice-president, analyzed the "War's Effect Upon Our Business," and Harry H. Allen, secretary, discussed the present outlook for the company's L.O.M.A. program.

Commissioners Take Constructive Action in N. Y.

Mid-Year Meeting of State Supervising Officials Marked by Action

By C. M. CARTWRIGHT

NEW YORK—The work of the National Association of Insurance Commissioners at its mid-year meeting here was more constructive than that of most previous sessions. John Sharp Williams III of Mississippi, the president, stated that more had been accomplished and further steps taken than at any meeting since he had been in office.

The executive committee, under the leadership of Chairman Lloyd of Ohio, had busy sessions starting Sunday evening. Following committee meetings Tuesday the executive committee again went into session, holding a prolonged meeting so that the closing general gathering did not adjourn until 2:30 p.m. The committees were well attended and particular interest was taken in all of them by the laity. The attendance on the part of the commissioners was above par and the third house registered as many as at any other convention.

Unauthorized Insurance

The committee on unauthorized insurance met Tuesday morning with Fraizer of Nebraska as chairman. A sub-committee headed by Thompson of Oregon had written a model statute dealing with the subject and it was instructed to promote this act as far as possible in forthcoming legislative sessions. There are three states that have special laws relating to unauthorized insurance, they being California, Virginia and Michigan. That in Virginia covers only life insurance. Roger Kenny, insurance editor of "U. S. Investor", had written a stinging article in that publication which was placed at the hotel room door of every commissioner. He was called before the committee and in a fiery, loud voice stated that the subject had been kicked in and out of the association for 45 years and had been purposely dodged, due, he said, to selfish provincial interests. It is thought that the proposed bill if adopted will do much to decrease the evil.

Examinations Committee

The examinations committee met Tuesday morning presided over by Read of Oklahoma as chairman. He had a list of companies examined and reports will be sent to each department for checking before printed in the proceedings. The resolution adopted by Zone 3 at Jackson, Miss., and published in THE NATIONAL UNDERWRITER was received and a copy of it will be

(CONTINUED ON LAST PAGE)

Williams "Het Up" Over Centralization of Federal Power

President Commissioners Body Speaks Bluntly on Encroachment on States

NEW YORK—John Sharp Williams III of Mississippi, president of the National Association of Insurance Commissioners, spoke very boldly and bluntly at the first general session of the mid-year meeting held Sunday evening in emphatic protest against the increased centralization of power in Washington and the tendency for the federal government to reach out and assume authority that theretofore has been clothed in the states. He said that he was essentially a Jeffersonian Democrat and believed in states rights. The commissioners met here a year ago, he reminded his audience, the opening session being Dec. 7, now a memorable date in American history. He vouched for the highest patriotism of the commissioners and the insurance people as an entire group. He said that everyone is doing his utmost to contribute to the war effort.

He asserted that the war has brought many complexities and problems. This has encouraged the federal government in its assumption of greater authority. President Williams in an impassioned voice said that he could not subscribe to many of the movements the New Deal is making. He sees in the course pursued the ultimate elimination of the middle man and thus a very vital encroachment on the rights of states. Mr. Williams gave it as his opinion that the middle man in the economic structure is highly desirable. The War and Navy departments, the Defense Plant Corporation, the HOLC and others are trying to eliminate the middle man. He asserted that if the federal government's indictment of fire insurance companies, officials and organizations is followed through, it means the automatic repeal of state authority and the abrogation of insurance supervision and administration by the states as now conducted, a disaster he dreads to contemplate.

Revenue from Insurance

Commissioner Williams called attention to the fact that the states receive from insurance revenues \$113,000,000 a year and his state, he added, gets \$1,000,000. He gave it as his opinion that the commissioners' association would make a mistake in trying to combat the Atlanta investigation. He believes that each commissioner as an individual should use his influence in that direction, however. He stated that he had already appealed to his governor and attorney general and said that the latter had taken up the matter with the National Association of Attorneys General which will look into the situation. The subject, he said, has been brought to the attention of the Southern Conference of Governors.

As an example of federal government dipping into purely state functions, he cited the effort to abolish the poll tax levied throughout the south especially as a qualification for voting. The south, he said, has its peculiar problem and if left alone it can be solved satisfactorily. The situation, he said, is one that confronts the southern states and not the federal government. Mr. Williams said that he earnestly believes in a union of sovereign states. If the present tendency continues he acknowledged "I do not know where we will wind up."

President Williams said that the regulation and supervision belong to the

"Exhibits by Mail" Proves Popular



Members of Life Advertisers Association exhibits committee viewing entries in the 1943 "Exhibits by Mail" competition: (Seated, left to right) George Pease, Equitable Life of Iowa; R. B. Reynolds, American Mutual, and B. C. Campbell, Central Life; (standing, left to right) H. S. Jacobs, Equitable of Iowa, and J. H. McCarroll, Bankers Life. The sixth member of the committee, B. N. Mills, Bankers Life, was absent when the picture was taken. Mr. Reynolds is chairman.

The "Exhibits by Mail" competition sponsored by the Life Advertisers Association has struck a responsive chord and more than 60 exhibits already have been received, according to Russell B. Reynolds, American Mutual Life, chairman exhibits committee.

The board of judges is composed of: Peter Ainsworth, advertising sales manager, "Better Homes & Gardens;" Les Suhler, subscription manager, "Look" magazine; H. A. Hedges, Equitable Life of Iowa, Kansas City, vice-president National Association of Life Underwriters, and Joseph B. Ryan, Jr., agency supervisor Des Moines agency Bankers Life of Iowa.

Travelers and Aetna Life Pay Year End Bonuses

HARTFORD—Travelers and Aetna Life have voted extra year-end compensation to full time employees, in accordance with the procedure of past years.

Approximately 12,000 employees of Travelers are to receive extra pay of 8½ percent of their yearly earnings, up to a ceiling of \$500 for any individual. Based on wages and salaries for the year ending Dec. 1, the amounts are to be distributed quarterly beginning Dec. 15. Each quarterly amount will be paid only to employees on the active payroll at that particular time.

Aetna Life will pay extra compensation of 5 percent of yearly earnings to about 8,000 salaried officers and full time employees. Employees who have gone into the armed forces or other service connected with the war will be similarly rewarded for their services prior to their departure for active duty.

Zeus Made Associate Manager

Otto L. Zeus, assistant manager of Travelers in San Francisco, has been named associate manager with Arthur S. Holman. The appointment was effective Dec. 1, his 35th anniversary with the company. Mr. Zeus was honored at a luncheon by the Travelers Club, with James Basye presiding.

states. The whole scheme of things might be upset if this function of the state is violated. State control of insurance, he said, has been tried and is successful. In conclusion the commissioner said:

"I am all het up about it and I want all you people to be het up."

Since the association abandoned its annual convention because of transportation problems, it appeared for a time that the customary exhibit would be abandoned. However, the executive committee decided to accept company entries as usual, have them judged at a central location and then distribute them by mail to those who might be interested. Suitable awards will be made to those considered outstanding by the board of judges. The exhibit also will be on display at each of three regional round tables planned during the current year. The deadline for all entries in this competition has been fixed as Dec. 4.

Propose Death Benefits for Okla. State Employees

Mott M. Keys, manager of the Oklahoma state insurance fund, has announced a tentative plan under which state, county and municipal employees would be provided with death benefits, the premiums being paid by employees through payroll deductions. This makes it more of a group life plan than compensation insurance.

The plan proposes establishment of a special fund in the state insurance fund office, into which employees whose monthly salaries are less than \$100 would pay 50 cents a month; those drawing between \$100 and \$600 would pay ½ of 1 percent of monthly salaries and those receiving salaries in excess of \$600 per month would pay a flat \$3 monthly.

No employee would be eligible to have death benefits paid to beneficiaries until 60 days after employment by the state. Beneficiaries of state employees who die while on duty would receive a total of \$5,000, of which \$1,000 would be paid on proof of death and the remaining \$4,000 would be paid monthly in an amount equaling the salary of insured at the time of death.

Mr. Keys is undecided whether to submit it to the legislature as a proposed statute or to make it voluntary on the part of each employee. Death benefits are not provided for by the state insurance fund nor in the compensation law.

White to Visit Richmond

George A. White, new president of State Mutual Life, who is making the rounds of its agencies, will be the guest of the Richmond, Va., agency Dec. 8. This agency is in charge of Benjamin Cottrell, R. H. Denny, director of agencies, is on the tour with him.

To Show How Life Insurance Serves National Interest

A.L.C. Committee to Work with N.A.L.U. in Presenting Case in Washington

NEW YORK—In order to permit the life insurance business to make its maximum contribution to the war effort, the executive committee of the American Life Convention at a meeting here unanimously adopted a resolution that a committee of the A. L. C. be appointed to cooperate with the National Association of Life Underwriters in presenting to the proper governmental authorities at such time and in such manner as the committee may deem appropriate the fundamental importance of the institution of life insurance in the national economy and the large contribution which it is making to the war effort both directly and indirectly. The purpose is to bring to the attention of those in charge of the war program how greatly the work of the life agents is serving the national interest in the present emergency and obtain from them a careful consideration of the proper place of life insurance and its representatives in the manpower needs of the nation.

Many A. L. C. Leaders on Hand

The officers and executive committee of the A. L. C. met at the Waldorf-Astoria Sunday. W. C. Schuppel, Oregon Mutual, president, was on for the meeting. Associate General Counsel R. H. Kastner and Secretary T. E. Huston represented the executive officers. The members of the executive committee present were A. J. McAndless, Lincoln National; L. F. Lee, Peninsular Life; Claris Adams, Ohio State Life; Julian Price, Jefferson Standard; L. D. Cavanaugh, Federal Life; J. A. McLain, Guardian Life. Ex-presidents not members of the committee who participated in the discussions were I. M. Hamilton, Federal Life; C. A. Craig, National Life & Accident; W. T. Grant, Business Men's Assurance; H. R. Wilson, American United Life; O. J. Arnold, Northwestern National Life; G. S. Nollen, Bankers Life of Iowa; L. J. Dougherty, Occidental Life of Los Angeles; T. A. Phillips, Minnesota Mutual Life.

It was announced at the meeting that C. B. Robbins, manager and general counsel, who found it necessary to return to the hospital after being taken home following his operation, is again at home. He will spend some weeks in recuperation and then hopes to go to Arizona for the winter.

Courtenay Barber to Be Feted on 50th Year

Courtenay Barber, Sr., Chicago general agent of Equitable Society, will be honored at a special luncheon there Dec. 22 in the Union League Club on his 50th anniversary with the company. Walter L. Gottschall, director of agencies in charge of the western division at Chicago, will be host and toastmaster. Equitable's Chicago agency managers and assistants and probably a number of other agency managers from the central west will participate in the affair, at which Mr. Barber will be felicitated.

Mr. Barber has an unusual record with Equitable, having been for years one of the greatest producers in the country, his annual sales placing him in the forefront among all life agents.

Ask Officials to Cut Requirements in Statements

Company Officials Explain Their Problems to the Insurance Commissioners

NEW YORK—The executive committee of the National Association of Insurance Commissioners, with Lloyd of Ohio, chairman, presiding, listened to company officials who very earnestly recommended that unnecessary demands in connection with making up annual statements be lessened as far as possible. Bruce Shepherd, actuary of the Life Presidents Association, stated that all companies are confronted with problems of personnel and mechanical equipment. Many key men trained along special lines have been called to military service or have gone in other lines of work. Very often a supervisor is inducted into the service and the company may not have one experienced to take his place. The government has drawn on companies for typewriters, dictating and calculating machines. He said, therefore, the companies have before them the question of getting out material with unexperienced help and with less mechanical equipment. He urged the commissioners to modify and simplify some of the demands. Where there are statutory requirements the processes must be followed but they can be summarized in many cases.

Loss of Personnel

Mr. Shepherd said that loss in personnel has not affected companies uniformly. He said that losses in this direction may be very heavy numerically, but the chief burden comes when trained and experienced people are called in. Therefore, the quality of employees comes into play frequently rather than numbers. Many companies have lost their better trained men. If a company is located in a section where there are war industries, it is exposed to particular danger of its people being drawn away. He said that probably an average would be about 25 percent loss and 10 percent more by March. One company he is acquainted with has lost 35 percent of its employees and it is not near any war industry. He said even the loss of one or two key men affects the entire work. This is particularly true with the smaller companies where the loss of a man may be particularly keen. In fact, Mr. Shepherd said that some offices are badly in need of relief.

Some Suggestions Made

He urged the elimination of some of the smaller items in schedule A and B. There is considerable detail asked regarding real estate which might be eliminated or reduced. He advised the elimination of certain information that is not really essential, but it requires a lot of work. He referred, for instance, to the classification of policies. In the gain and loss exhibit some items could be very well left out for the time being. Another item he referred to was the analysis of the increase of reserves in the gain and loss exhibit. The statement requires earnings on the two prior years on real estate that is held. This could be omitted, in his opinion.

In other words, he advised the use of more simple information and less details. Instead of requiring annual dividends in the statement, he thought that commissioners should accept printed leaflets or booklets that companies could offer giving the same information. He

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Vote Taken on War Clause Report by Commissioners

NEW YORK—Superintendent Lloyd of Ohio at a meeting of the executive committee of the National Association of Insurance Commissioners reported the result of the state vote on the adoption of the recommendations of the life and executive committees on war clauses.

The affirmative votes were: Alabama, Arkansas, California, Colorado, Delaware, Florida, Georgia, Illinois, Iowa, Kansas, Massachusetts, Mississippi, Missouri, Montana, Nebraska, New Jersey, New York, Ohio, Oklahoma, Oregon, Rhode Island, Texas, Virginia and Wyoming.

The negative votes were: Kentucky, Louisiana, Minnesota, New Hampshire, North Dakota, Pennsylvania, Tennessee and Wisconsin.

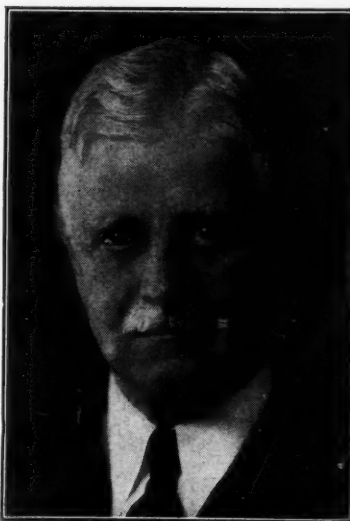
Not voting were Arizona, Connecticut, District of Columbia, Idaho, Indiana, Maine, Maryland, Michigan, Nevada, New Mexico, North Carolina, South Carolina, South Dakota, Utah, Vermont, Washington and West Virginia.

Rebuff President on Social Security Proposal

WASHINGTON—The House ways and means committee in executive session has turned down President Roosevelt's request for quick committee action on the pending bill to amend the social security act to authorize additional expenditures for child welfare in defense areas. The committee voted to pigeonhole the bill.

The action comes at a time when the President is in readiness to submit to Congress a proposal to expand the whole social security system, including nationalization of the state unemployment compensation setups. A brochure covering

Jefferson Standard Head Honored at 75 Year Mark



JULIAN PRICE

Julian Price, president of Jefferson Standard Life, has celebrated his 75th birthday anniversary. Agents and employees set November aside for special recognition of his leadership and contributions to the life insurance business and service to his country. The home office employees honored him with a dinner.

the proposals, with endorsements of various labor leaders, has been prepared by the American Council on Public Affairs for distribution among members of Congress. Whether the President in the face of the committee's action on the child welfare bill will send in further social security proposals is uncertain.

Life, Personal Accident Losses Heavy in Boston

Night Club Holocaust May Result in Large Insurance Claims

From an insurance dollars and cents standpoint, by far the heaviest loss in the Cocoanut Grove holocaust in Boston will come under life insurance and personal accident policies. The fire insurance loss is not important and it may be exceeded even by claims against inland marine insurers for furs, jewelry, etc.

The crowd was apparently composed of persons of very good financial circumstances and the assumption is that a large number were very well insured both in respect of life insurance and personal accident. There will undoubtedly be numerous payments also under the double indemnity provisions of life insurance policies. Most personal accident policies provide for double the capital benefits in the event of death within a burning building if the assured was inside the building when the fire started and there are some contracts that provide triple and even quadruple benefits under these circumstances.

May Involve Reinsurers

The reinsurance companies are likely to be presented with claims not only for their portion of death benefits under large individual policies but also under catastrophe excess covers. The latter usually pays losses in excess of \$50,000 or \$100,000 involving five or more lives in one accident.

A good many of the victims were college students and men in uniform and presumably they were not heavily insured, but there were also many older persons.

Fire prevention experts attending the National Fire Protection Association's section meetings in Chicago this week were rather reluctant to pass judgment on the Boston fire until the full facts are known. It was pointed out that in disasters of this type there is usually no one single cause but that they result from a combination of factors. Although the boy who dropped the match may have been the primary cause, overcrowding and obscure entrances were among the contributing factors.

It is expected that the Boston fire will stimulate action in all sections of the country in adopting drastic precautions such as have followed other disasters. Although the hazards present in the Boston fire have been recognized for years and are present in night clubs the country over, there has been a flagrant disregard of primary fire prevention principles. Night clubs in war plant and army areas are overcrowded and the possibilities of a repetition of the Boston disaster are great unless local authorities take corrective action.

Called Night Box in France

In France it is recalled night clubs are known as *boite à nuit* or night box and that very aptly describes the layout of the typical club.

Massachusetts has had a most unenviable record as to fires. Just last year there was the Firestone fire at Fall River, Mass., causing loss of \$14,000,000 including \$8,000,000 of precious rubber, and now the night club fire, second only to the Iroquois theater fire in Chicago in point of number of lives lost in a fire in this country.

The Boston catastrophe can be very well cited by agents as an indication of

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"Those Who Expect"

It was old Thomas Paine who wrote one of the most sage things about life that has ever been written:

"Those who expect to reap the blessings of freedom must, like men, undergo the fatigue of supporting it."

In all the history of the world that has never been more appropriately true for every part of the world. Men are fighting in armies on every continent to secure freedom or to obtain its return, and to guarantee its future.

It is equally true for civilians as of soldiers and sailors. The blessings of freedom are not always obvious. Sometimes they are cloaked with a patchwork of petty irritations. But it is in being patient about rationing, in living up to the spirit of a law as well as its letter, that patriotism is found. It is in keeping mum rather than accepting the temptation to repeat some dramatic rumor. It is in patrolling the beat rather than strutting in a parade. It is in washing dishes in a canteen while the girls are dancing with the men in uniform. It is in buying War Bonds rather than enlarging the Christmas shopping list. It is in grinning rather than grouching.

* * *

THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Restrictive Trend Found in Policy as to Settlements

Some Refuse to Write Agreements Involving Shift in Basis

NEW YORK—Agents doing a large amount of programming, whether in connection with new sales or as a service to clients whose needs have changed because of the war or other causes, find that some of the leading companies are refusing to write settlement agreements involving a shift from the interest-only basis to the life income option even though the date of change is specified in the agreement and there is not the opportunity for anti-selection that would be present if the change in mode were left to the beneficiary. Agents will save themselves considerable time by checking on company practice in this regard before setting up a program based on a switch in options at a later date.

The change from interest only to the life income mode usually comes up in connection with dovetailing programs with social security. For example, a man knows that his widow can count on a certain income from social security until the youngest child is age 18. Then the social security income to the widow and the child cease until it resumes, for the widow, when she reaches age 65. Frequently it is desirable to hold the proceeds on interest until the date when the youngest child would reach age 18 and then switch to the life income mode, when the widow will have the advantage of the larger income that would result from her being older.

Will Use Current Basis

However, the companies that will not permit this shift will permit a shift to be made from the interest option but using the current annuity basis, which is much less favorable to the recipient than are the annuity options in policies. In one company the difference is so marked that if the insured were to die today his widow would receive a higher monthly income under the annuity option of the policy than she would receive on the current annuity basis 20 years from now, in spite of the fact that she would then be 20 years older.

The practice of companies is to call to the insured's attention the fact that they will not issue agreements involving a shift from one option to another and one company takes the precaution of inquiring before sending out the agreement.

Should Be Checked

It is obviously very important that the assured and the agent be notified that the agreement is not going through as requested. At least one instance has occurred where a highly reputable company sent out an agreement in which the shift from the interest-only basis was to the current annuity basis instead of to the life income option as was requested by the agent, but there was no notification.

The agent spotted the discrepancy in the income and sent it back, as the income under the current basis would have been less when it went into effect 10 years hence than if the annuity mode went into effect immediately. It is possible that this was due to an oversight at the home office but with home office staffs shorthanded because of the war it behooves agents to check over these

Women Agents Group Prepares Book for Women

"Life Underwriting—a Career for Women," is the title of a newly-published book written by members of the committee of women underwriters of the National Association of Life Underwriters.

This is a frank, authoritative discussion of the problems the woman agent will face and the rewards she can expect. It is a handbook for daily guidance.

Elsie Matthews, Connecticut Mutual, Newark, chairman of the committee, in the foreword, says: "Indeed you may feel . . . that we have over-emphasized the problems. But if we have done so, it is because of a sincere desire on our part to have every woman who comes into the business do so with a full knowledge of the price that must be paid for success."

Mildred Stone Editor

Mildred Stone of the Mutual Benefit home office, author of the recent "Short History of Life Insurance," contributed the editorial work. Publisher is the R. & R. Service, Indianapolis. 144 pages, semi-flexible fabrikoid bound. Single copy price, \$2. Quantity prices available. It may be purchased from THE NATIONAL UNDERWRITER.

The chapters include: "How Not to Become an Office Pest," by Helen Rockwell, National Life, Cleveland; "Discouragement and What to Do About it," by Charity Kennedy of Indianapolis; "It's Not a Man's World," by Corinne V. Loomis, John Hancock, Boston. Other authors are Sophia W. Bliven of Philadelphia; Martha Washburn Allin, Connecticut Mutual, Minneapolis; Clara McBreen Raisbeck, Equitable Society, Cincinnati; Beatrice Jones, Equitable Society, New York; Ellen M. Putnam, National Life, Rochester, N. Y.; Lillian L. Joseph, Home Life, New York; Sis Hoffman, Union Central, Cincinnati; Berenice Meistroff, Guardian Life, Kansas City, and Sara Frances Jones, Equitable Society, Chicago.

Paxton Berkshire Vice-president

Walter A. Paxton, 44, of Lenox, Mass., treasurer of Berkshire Life since 1935, was elected vice-president at a special meeting of directors. He will serve in a dual capacity and assumes his duties immediately.

A native of Lakeland, Fla., Mr. Paxton moved to New York in 1912 and attended preparatory school there for four years. He attended West Point and was an air force lieutenant in the first world war.

He started as an investment salesman for Paine, Webber & Co., of New York in 1919, and in 1924 became investment sales manager of Eastman, Dillon & Co. He resigned after four years to form the bond department of National Park Bank, and then became assistant vice president of Park Bank Corporation, which later was merged with Chase Securities Corporation. He became treasurer of Berkshire after experience in the trust department of Bankers Trust Company.

settlement agreements to see that the insured is getting what he asks for.

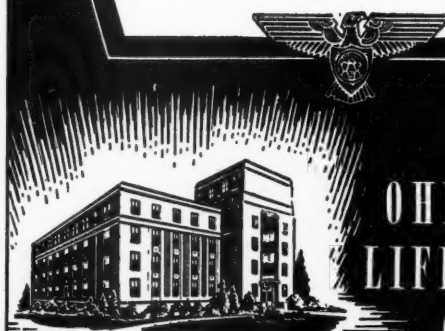
Agents who do considerable programming are fearful that the restrictive trend will spread to other companies. While conceding the necessity for putting some brake on the frills with which settlement agreements have come to be adorned in recent years these agents feel that it is entirely reasonable to permit a shift from one option to another when there is no real chance of selection against the company.



Shown here is a group of Alliance Life people at a recent meeting in Peoria. Front row, left to right: R. H. Weaver, general agent at Watseka; B. T. Kamins, agency director; Freda Payne, Peoria cashier; Marie Hodson, Springfield cashier; Mrs. Carl Newby, wife of the Springfield general agent, and Charles Hanson, general agent at Peoria. Second row: F. J. Bohl, home office publicity director; F. W. Johnson, Kewanee general agent; E. A. Huff, home office supervisor; Gilbert Wilson, district agent at Chester; Andrew Canning, Marissa general agent; Orie Stevens, Dixon general agent; Ray Kaspar, general agent at Chicago; Carl F. Newby, Springfield general agent; Julius Uebler, Streator district agent; Charles Reinecke, Streator general agent; F. L. Noel, Champaign general agent, and C. J. Gilbert, Urbana district agent.



**"A Friendly Group
to Join for
Steady Progress"**



**THE
OHIO NATIONAL
LIFE INSURANCE
COMPANY**

CINCINNATI, OHIO T. W. APPLEBY, President

State Insurance for All Is Urged in British Report

Beveridge Proposal Would Cover Every Form of Want and Insecurity

Complete and compulsory state insurance for the entire British people against every form of personal want and of insecurity is proposed in the 100,000-word report of the committee headed by Sir William Beveridge, noted economist. According to Reuters, British news agency, the shock of the plan's direct challenge to insurance companies, friendly societies and all who oppose nationalization of social security will be second only to the stir that will be produced by the realization of the annual cost of the scheme, which would be close to £800,000,000.

Influence in the U. S.

Because of the support that the Beveridge report will furnish advocates of social security extension in the United States and because this country has tended to follow European and particularly British social insurance prototypes the British proposal is bound to be studied with great interest in this country. The Reuters' dispatch points out that the Beveridge plan is the first program yet devised to turn "freedom from want" from a phrase in the Atlantic Charter into a practical reality.

Holds It a State Necessity

Sir William bases his whole policy on the argument that the "tinkering" with social security in Britain has achieved entirely inadequate results against the problem as a whole and reorganization on a complete national scale without regard to commercial interests or partisan controversy is a state necessity, the dispatch states, and adds that "this argument hits directly at the huge and powerfully organized British insurance industry."

The Beveridge plan proposes a government substitute for the 70,000,000 industrial policies on which companies have more than £1,000,000,000 in force and receive nearly £60,000,000 a year, an amount equal to more than one-third of the premium income of the entire British life insurance business.

Would Cover Entire Populace

The proposal provides that the entire population, including housewives, but excluding children and old people, would be covered by comprehensive state insurance against any risks that threaten them with hardship and want. Aged persons would be taken care of by "retirement pensions" a term which Sir William prefers to "old age pension." The qualifying age would be 65 for men and 60 for women. Children would be paid a personal allowance.

The sickness benefit under the plan would take care of the needs not only of the patient but of his dependents as well. An automatic corollary of the sickness plan will be a nationalized and fully comprehensive medical service for all. It would broaden the present state panel of doctors into a unified organization covering hospital, specialist and surgical treatments and prenatal and postnatal treatment and convalescence.

President's Month Hits High Mark

October "President's Month" for General American Life, for the third consecutive year topped the \$7,000,000 mark, including ordinary life, group and accident and health business.

Big Production Honors North American's Chief



E. S. ASHBROOK

North American Life of Chicago reports volume of new business has been good all during 1942, but exceptionally so in October when the production was dedicated to President E. S. Ashbrook. The Illinois Boosters organization under the supervision of John W. Homan of Peoria, led the entire field in volume, and the Ohio Society under H. O. Kramer was the second leading agency.

The chief personal producer in volume, to whom will be awarded the traditional President's Chair, was Harley C. Knapp of Rockford, Ill., with Joe Bruckman of Peoria as runner-up. The ten leaders in volume will become the members of the president's new cabinet.

Mr. Ashbrook announces that the company will add this year approximately \$1,000,000 to its assets, the largest increase of any year in its 36-year history, compared with \$577,000 in 1941 and \$233,000 in 1940. Increase in surplus for 1942 will be about \$130,000 as compared with \$57,000 last year.

Minute-Man Flag Awarded to Ohio National Life

Ohio National Life was awarded the Treasury department's 10 percent Minute Man flag by Guy Randolph, chairman of the payroll allotment committee, in recognition of 97 percent of the employees subscribing to war bonds and 10 percent of the total payroll of the company being invested in bonds each pay day.

Presentation at a Luncheon

The presentation was made at a luncheon attended by the home office staff. Mayor Stewart of Cincinnati was the principal speaker.

President T. W. Appleby was toastmaster and S. J. Blashill, secretary, was in charge of the arrangements.

The flag was presented to officers of the Ohio National's Eagles Club, which sponsored this bond drive. Millie Rieth, vice-president; Lois Freyberger, secretary, and Wally Chadwell, treasurer, represented this club which is a self-operating employees' organization, functioning entirely without direction from the management.

Litke to Springfield, Mass.

Harry T. Litke, assistant manager of the life department of the Reading, Pa., branch of Travelers with headquarters at Harrisburg, has been appointed manager of the department at the Springfield, Mass., branch office.

THIS UP-TO-THE-MINUTE TAX BOOKLET IS A TYPICAL EXAMPLE OF THE TIMELY, VALUABLE HELP U.C. CONSISTENTLY GIVES ITS SALESMEN!



**IN OUR AGENTS' HANDS
10 DAYS AFTER THE BILL WAS
PASSED!**

Here's an example of how Union Central's Home Office plans its sales aids to dovetail 100% with the agents' personal selling. This carefully compiled, accurate booklet on Inheritance and Estate Taxes, has been completely revised to include the very latest U. S. tax rulings. U. C. men are using it successfully as a means of highly effective circularization.

**The UNION CENTRAL LIFE
INSURANCE CO.**

CINCINNATI, OHIO

Blanks Committee Proposals O. K.'d

Means Reduction in Work of Completing Statement Blank Schedules

NEW YORK—Considerable reduction in the work necessary to complete the schedules of the annual statement blank will result from the action of the commissioners in adopting the executive committee's approval of the blanks committee's recommendations. Annual statement blanks will be deemed to have been amended as follows:

1. Schedule D, part 4, bonds disposed of during the year: summarize all bonds of the same issue called, matured or redeemed during the year. At present no summarizing is permitted. Summarize all bonds of the same issue sold during the year, irrespective of date sold. At present, bonds of the same issue sold at different times during the year must be reported on different lines of the schedule.

2. Schedule D, part 3, stocks and bonds acquired: description of redeemable options may be omitted, whereas at present long descriptions of complicated redemption options must be shown as part of the description of bonds acquired.

Mortgages Under \$100,000 Lumped

3. Schedule A, part 1, real estate owned, and part 2, real estate sold: Report individually each property, except that those with a book value up to \$100,000 or 1 percent of total admitted assets at end of preceding year, whichever is less, may be summarized. At present, property acquired prior to the current year may be summarized if its book value is less than \$25,000 or one-tenth of total admitted assets, whichever is less.

4. Schedule B, part 2, section 1, mortgages in good standing: Summarize all mortgages in each main classification, i.e., farm mortgages—purchase money; farm mortgages, other than purchase money, etc. At present, mortgages up to and including \$100,000 or 1 percent of admitted assets, whichever is less, may be summarized.

5. Schedule B, part 2, section 3, mortgages in process of foreclosure: Show individually those which exceed \$100,000 or 1 percent of admitted assets, whichever is smaller. All others may be sum-

marized.

6. Schedule B, part 3, mortgages foreclosed or transferred to real estate: Summarize all mortgages in each main classification. At present no summarizing is permitted.

7. Schedule A, part 1, real estate owned, and part 2, real estate sold: Change heading of column (1) of these schedules to read: "Location and description of property." At present the heading reads, "size and location of lands, size and description of buildings, or nature of additions and improvements, nature of encumbrance, if any, including interest due and accrued."

All the foregoing changes apply to both the life and fraternal blanks. In the life blank the exhibit of insurance policies on page 6 the information required by footnote (a) may be omitted. At present, the number of paid-up policies and the amount of such insurance must be reported for both ordinary and industrial policies.

Companies are not required to take advantage of any of these amendments but may file on the blank as it now reads.

It was also recommended that the states review their insurance tax blanks in the light of the present emergency and the shift by most states to the direct basis, so as to eliminate all data not bearing directly on the computation of the tax or the proper audit of tax returns.

R. H. Bennett Aid to Vesser

Richard H. Bennett has been appointed assistant manager of the midwestern department of Reliance Life in St. Louis associated with Frank Vesser, manager.

Mr. Bennett has been with Metropolitan Life in St. Louis for the past 12 years, eight years as an assistant manager.

He is well known in athletic circles, having been a professional baseball player before entering life insurance.

Missouri Rallies Staged

The Missouri Association of Life Underwriters is holding a series of meetings at various points. Meetings have already been held at St. Joseph and Sedalia. The next meeting will be at Springfield Dec. 12. Following that there will be a gathering at Joplin.

The state unit strives to hold meetings in each of the towns where there is a local association. At each gathering there are three or four outside speakers in addition to the program arranged by the local officers.

Frank Vesser, St. Louis manager Re-

Ind. Federation Elects Officers

Ben R. Turner, Jr., manager of Fidelity & Deposit at Indianapolis, was elected president of the Insurance Federation of Indiana at its annual meeting. He has been vice-president and is well acquainted with the issues that will come up next year in the state legislature.

The following were named vice-presidents of the federation: G. J. Daseke, state agent of Phoenix of Hartford, for fire; E. M. Spence, general agent Provident Mutual Life, for life; J. Frank Miller, resident manager Maryland Casualty, for casualty; R. C. Fox, Fox & Fox Agency, for local agents, and P. O. Bowers, secretary Ben Hur Life Association, for fraternalists. Harry S. Shep-

liance Life, president of the state body, and the other officers are enthusiastic over the results.

Increase your accident sales with ideas from the Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

ard, manager insurance department Fletcher Trust Company, was named treasurer and Joseph G. Wood, Indianapolis attorney, as secretary-counsel. Mr. Wood is on leave of absence serving as an officer in the army.

The following, who are president and secretary, respectively of their respective organizations, were among those elected to the advisory board:

A LeRoy Porteus, vice-president Indianapolis Life, and Fred H. Sterling, Jr., Indiana Association of Legal Reserve Life Insurance Companies; G. R. Douglass and Paul Spelcher, General Agents & Managers Association of Indianapolis; August Schuster and R. M. Garrity, Indiana Fraternal Congress; H. E. Nyhart and F. P. Huston, Indiana State Association of Life Underwriters; C. Fred Davis and Earl T. Bonham, Indianapolis Association of Life Underwriters. In addition David Layton, retiring president of the federation; Commissioner Viehmann, and T. L. Locke, attorney, are members of the board.

Scheufler Confirmed in Mo.

JEFFERSON CITY, MO.—The Missouri senate has confirmed 75 appointees of Governor Donnell, including E. L. Scheufler, superintendent of insurance.

Application Shower for McCarter



More than 1,600 applications for new business were presented to Grady S. McCarter, superintendent of agencies of the American National, by Bryon S. Griffith, general agent, on behalf of the

committee for "McCarter Month." October was dedicated to Mr. McCarter and produced the largest new business volume of any month this year. The presentation is pictured above.

WIVES, WIDOWS and WAR BONDS

A Wife and a Widow were cashing in War Bonds.

"My husband is in the hospital," said the Wife. "We need cash to pay the bills."

"MY husband died 4 months ago," said the Widow. "Our money is gone."

☆

Both patriotic men failed to make their War Bond savings programs self-completing—with Life insurance.

Moral: Tell prospects who build "cash values" with War Bonds about the POLICY WITH A HEART. It is Life insurance with Accident and Sickness—in one package for one premium.

V. H. JENKINS, Vice-President

OCCIDENTAL LIFE
INSURANCE COMPANY OF CALIFORNIA
LOS ANGELES

Institute's Varied Accomplishments Cited by Johnson

President Gives Impressive Report at Annual Gathering in N. Y.

NEW YORK—Public interest in the social and economic implication of life insurance has been sharpened by the war and there is a growing need of supplying the public with the fundamental facts and figures which they need to gain a clear perspective of life insurance and the services of the agent, Holgar J. Johnson, president of the Institute of Life Insurance, said in his annual report to the institute's annual meeting here Wednesday.

During the year, membership in the Institute has grown from 102 companies to 114, including Canadian companies. These companies represent 68.5 percent of the total assets of life insurance.

Mr. Johnson said the criticism to which life insurance was subjected two and three years ago, based upon fallacies and misunderstandings, has subsided under the concentration of all public interest on the war effort, but this does not mean there is less thinking concerning insurance. The critical-minded, however, he predicted, will return when normal conditions exist.

Contribution to War Effort

During the past year the institute stressed how life insurance is contributing to the war effort. Editors have been much interested and much space has been given to stories of the purchase of government bonds by companies and the sale of war bonds by agents, the value of insurance benefit payments to the war economy, the aid extended to service men in their insurance problems, and the building of security for post-war readjustments.

The institute has been increasingly recognized as a central source of information, a large number of writers and editors turning to it for material.

The institute has prepared or aided editors in the preparation of 63 magazine articles and 115 newspaper pieces.

Research Committee

A committee on research has been set up and several studies are projected. The department of information has laid emphasis on developing new avenues for the dissemination of information. The field of education has the greatest need for suitable life insurance material. Personal contacts have been made with leading educational organizations and individual educators.

The department has supplied material for college theses and many speeches.

The statistical department is widening the scope of its activities. It has inaugurated the collection of statistics on investment purchases and holdings from 165 companies, analyzed various items having a public interest in the annual statements of a large number of companies, prepared studies of war clauses in life policies and similar projects. The compilation of benefit payments monthly, with a state-by-state breakdown quarterly, is continued.

The institute movie films reached an additional 610,000 persons during the year making a total of some 4,109,000.

Programs on Air

The institute prepared some 25 different programs for the air. Several stations volunteered time on a continuous basis.

The "Our Democracy" cartoon series, projecting pictorially facts and figures

about life insurance as a democratic institution, is being carried by 1,459 newspapers.

The "Keep Well Crusade" has achieved nation-wide attention and enthusiasm. This is a permanent contribution.

Companies and agents have distributed 6,486,723 pieces of material on the crusade to the public.

Threat to Free Enterprise

Chairman Nollen spoke on the threat to the free enterprise system arising out of the widespread hardship in the early years of the depression. Conceding a need for intelligent governmental supervision, Mr. Nollen said the swing in that direction is excessive and harmful, threatening to reduce business to a position of "discretionless servitude." He said that instead of taking a negative attitude of viewing with alarm, life insurance management has a twofold challenge to meet, first as citizens of democracy and second as trustees, "charged with leadership, including organized action in this common cause."

Officers Are Re-elected

Gerard S. Nollen, president of Bankers Life of Iowa, was re-elected chairman, Holgar Johnson president and Arthur C. Daniels secretary. Elected as directors to serve through 1943 are

L. A. Lincoln, president Metropolitan Life; B. J. Perry, president Massachusetts Mutual; T. A. Phillips, president Minnesota Mutual; Claris Adams, president Ohio State Life; W. C. Schuppel, executive vice-president Oregon Mutual Life; to serve through 1944, George L. Harrison, president New York Life; John A. Stevenson, president Penn Mutual; A. J. McAndless, president Lincoln National Life; L. F. Lee, president Occidental Life of North Carolina; Frazar B. Wilde, president Connecticut General; to serve through 1945, T. I. Parkinson, president Equitable Society; M. A. Linton, president Provident Mutual; O. J. Arnold, president Northwestern National; C. A. Craig, chairman National Life & Accident; A. B. Wood, president Sun Life of Canada; to serve through 1946, Franklin D'Olier, president Prudential; E. S. Brigham, president National Life of Vermont; G. S. Nollen, president Bankers Life of Iowa; Julian Price, president Jefferson Standard, and A. N. Mitchell, president Canada Life.

Michigan Department on Air

The Michigan department is taking over the so-called "governor's hour" on the Michigan State College radio station WKAR to broadcast weekly instructional messages to the public re-

garding various phases of insurance. The program is broadcast at 1 p. m. each Thursday.

Seth Burwell, director of the life division of the department, discussed war risk clauses, the advisability of maintaining life insurance coverage throughout the war emergency, and similar timely matters relating to life insurance Dec. 3. He advised service men regarding their life insurance problems last week.

Home Office Agency Sets Record

The home office agency staff of Union Mutual Life was tendered a dinner by President Rolland E. Irish in recognition of having concluded in October the largest single month's business in its long history.

Under the management of Fred T. Jordan, who has brought his agency up to one of the company's leaders since taking over in 1939, the home office unit led all agencies in new paid life and commercial accident and health business for that period.

All members of the home office agency staff and their wives or husbands were present. The home office was represented by Mr. Irish, Clifton W. McNeill, second vice-president; Harland L. Knight, assistant superintendent of agencies, and L. Russell Blanchard, agency secretary.

"There Goes Jones—He Knows the Answers"

Field men who have sound knowledge of their own business have a priceless asset—the approval and confidence of the persons in their communities.

C. L. U. study courses, company study courses, regular careful reading of the insurance trade press, membership in Life Under-

writers' Associations, are most valuable field helps. In these times of public consciousness of the responsibility of business, the men who sell Life Insurance are also its ambassadors-at-large. This Company heartily endorses these fine educational activities for agents.

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

Fort Wayne

Indiana

Geared To Help Its Fieldmen



Union Mutual's New Supervisory Setup



Union Mutual Life's four regional managers under new supervisory plan—Fred T. Jordan, Jesse J. Letts, Glenn A. Stearns, and Michael J. Denda.

In an endeavor to solve the wartime agency supervision problems of Union Mutual Life, a new plan using regional managers is announced by President Rolland E. Irish. It was designed as a "duration" measure in view of the increasing complications of agency management, travel difficulties between home office in Portland and widely scattered agency cities, and the need for a closer tie between all members of the field force today.

At a recent home office conference, Mr. Irish said the management desires to run the company on a conservative basis and despite reduced numbers, to see that the men fare not only as well, but better than usual.

One objective is a reduction in travel by members of the home office supervisory staff. There are four regional managers. Each will supervise those agencies which are located in an area nearest to his headquarters city.

Three of the managers were selected from among the top agency managers. They are: Jesse J. Letts of Buffalo, Fred T. Jordan of Portland and Michael J. Denda of New York. The fourth assignment was given to Glenn A. Stearns, who is the superintendent of agencies.

Mr. Stearns will take over active management of the agency at Nashua, N. H. He succeeds Charles N. Cutter.

who recently has received a naval commission. Mr. Stearns, operating from Nashua, will serve as regional manager for New Hampshire, Vermont and western Massachusetts.

Mr. Letts, for eight years manager at Buffalo is manager to supervise Cleveland, Detroit, Pittsburgh and Grand Rapids in addition to his own agency.

Mr. Jordan, manager of the home office agency, is manager for Maine and Boston and Providence agencies.

Mr. Denda, whose agency in New York leads all field units in 1942 production, will supervise agencies at Albany, Syracuse, Rochester, Newark and New Haven. Previously a vice-president of the Postal National Life, he joined Union Mutual in 1941 when the former company was reinsured by Union Mutual.

Direct supervision of the balance of the agencies will be undertaken by Mr. Irish and Assistant Superintendent of Agencies Harland L. Knight.

The plan is expected to afford much closer supervision of all agencies than has been possible. Also all field units will get the help and guidance of those agency managers who are doing a particularly successful wartime job.

There will be periodic conferences between the regional leaders and the home office staff.

Seek Modifications in Industrial Plan

At the meeting of the National Association of Insurance Commissioners the committee on industrial insurance, of which Harrington of Massachusetts is chairman, had a session regarding suggestions for standard policy provisions. The Industrial Insurers Conference had written, making certain recommendations to be enacted into legislation. Some of the industrial companies felt that some modification should be made. For instance, those desiring an amendment to the suggestions stated that the application should be made a part of the policy. It was decided to have the committee confer with the Industrial Insurers Conference and other industrial companies and try to reach a friendly conclusion.

Mutual Life of New York has prepared an attractive four-page announcement in color which may be sent to friends and policyholders of the company's agents who are about to enter service. Individually imprinted with the agent's name, the folder contains a message from his manager offering to be of every possible service during the agent's leave of absence.

OPPORTUNITY LIFE AGENCY SUPERVISOR IN DETROIT

One of the oldest and largest eastern Companies has splendid opening for a Supervisor in its Detroit Agency. Prefer someone with background of experience in Detroit, who is interested in recruiting. Salary with opportunity for personal selling. Please reply with full particulars to Box Q-93, National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

130 Billion in Force Dec. 31, Whitsitt Estimates

NEW YORK—Reaching the highest level on record, life insurance in force in all United States legal reserve companies at the end of 1942 will approximate \$130,000,000,000 and will cover about 67,000,000 policyholders—half the population. The amount in force represents a net increase of 4 percent during the year.

This was announced by Vincent P. Whitsitt, manager and general counsel of Life Presidents Association, at a business meeting of the association here. The annual two-day convention was cancelled.

The total in force was \$27,000,000,000 at the end of 1917 when the nation was deep in the first war. Then the lives of about 25,000,000 persons were insured, for an average of \$1,080 per policyholder. Now the average is \$1,940.

Funds flowing from the companies to policyholders, beneficiaries and annuitants for 1942 will approximate \$2,400,000,000. This will include \$1,000,000,000 paid to living contract holders.

For 1942, the amount of life insurance—not including revivals, increases and dividend additions purchased, is estimated at \$12,100,000,000. This is 7 percent less than the 1941 total of \$12,980,000,000, which was the highest annual amount since 1931, and approximates the average annual volume for the last 10 years.

Chicago Agencies Stagger Hours

Life insurance offices in Chicago will stagger workers' hours in cooperation with the Office of Vital War Transportation, President J. H. Brennan of the Chicago Association of Life Underwriters announced. Offices have been open from 9 a.m. to 5 p.m., but hereafter will open and close either a half hour earlier or later. Some offices may divide staffs so some workers will start on the early schedule and the balance on the later one. President Brennan sent a letter to agency heads asking complete cooperation in carrying out the plan.

Institute at Appleton, Wis.

APPLETON, WIS.—An institute of life underwriters was conducted at the Appleton vocational school for agents in Appleton, Neenah, Menasha, Kaukauna and surrounding territory. Erbin Harenburg was discussion leader and spoke on "Simplified Programing." Other speakers were Bert Nelson, Northwestern Mutual, Milwaukee, on "Selling Life Insurance," and Frank Neu, National Guardian Life, Green Bay, Wis.

Frances, who was cashier in Marshall, is now assistant cashier in Dallas.

Hollinshead Dallas General Agent of Manhattan Life

Manhattan Life has appointed Charles W. Hollinshead general agent in Dallas. He has been with the company about 16 years in Marshall, Tex. He served as general agent in Marshall from 1935 on, and was a member of the city commission, being elected in April, 1941, for two years. He had been secretary of the Marshall Kiwanis Club from its inception 20 years ago.

Manhattan Life's general agency quarters in Dallas have been moved from the Santa Fe building, partly occupied by the war department, to 506 Tower building. Mr. Hollinshead's daughter,

Agency Practices Group Stands Firm

The committee on agency practices of the Life Agency Officers Association that held a meeting recently in Chicago decided upon no changes with reference to agency practices. The committee has maintained the principle of not appointing part time agents in urban centers but last spring it did make one modification. This was to permit companies, after careful investigation, to allow an agent with a satisfactory record who felt that for patriotic reasons he should enter a war industry, to maintain his contract in force.

The committee is still convinced that industry can be best served by full time men, properly educated and trained, and this can only be done with men who devote their full time to the business.

James H. Brown, general agent of Bankers Life of Nebraska at Steubenville, O., was a visitor in Chicago, conferring with H. E. English, the general agent there.

Hiram W. Moore, manager in St. Paul for Mutual Life of New York, has been elected president of the Kiwanis Club there.



★ IRL B. JACKSON OF CINCINNATI DID A SMART THING with the November "Paul Speicher Letter," sending it to a list of local bankers. This morning I have a letter from one of the bankers, expressing his appreciation to Mr. Jackson and asking for copies to mail to business friends. ★ ★ ★

★ BOB JUDD, of Chicago, knowing that prospects sometimes feel that the interview has been too strenuous, will mail a copy of the "Are You Willing to Be Misunderstood" (R & R Magazine) editorial. Would you like to see the editorial? Drop me a line. ★ ★ ★

★ W. T. O'DONOHUE of Dallas did his Christmas shopping at R & R one day last week—sixty-five gift-wrapped copies of "The Logic of Life Insurance." ★ ★ ★

★ JIM RUTHERFORD made a magnificent talk at the Bureau meeting (an outstanding meeting in every way). Every Association member can feel that Jim's leadership is sound. He brings us solutions, not problems. ★ ★ ★

★ LARRY EVANS adds the NORTHWESTERN MUTUAL to R & R's "Thousand Club" by today ordering 1,000 of "A Financial Manual for the Man Entering the Service." Thanks, Larry.



SUPERVISOR WANTED

A Southern Ordinary Life Company is seeking a Supervisor. Applications should give age, qualifications, and complete personal and experience records. Only those need answer who can stand rigid investigation. Address Q-90, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

Wartime Responsibilities of Managers Stressed

DETROIT—Brilliant leadership by managers is more necessary under present conditions than ever before in the history of life insurance, D. Gordon Hunter, vice-president and agency manager Phoenix Mutual Life, told the Associated Life General Agents & Managers of Detroit in talking on "Is the Captain Aboard the Ship?" Mr. Hunter was introduced by J. L. Lee, Detroit manager Phoenix Mutual.

"We are living in an age of kaleidoscopic change, and although sales at the moment are disappointing, we are moving toward a period of heavier volume of new business by a smaller and more compact field force of increasing efficiency," Mr. Hunter declared. In these days when field men are going into military service and it is difficult to replace them, agency overhead continues unabated and consequently is soaring on a per-agent basis. Two things must be done at once; the efficiency and activity of each remaining underwriter must be increased and new men must be brought into the agency to replace some, at least, of those who have left. As a consequence, problems of agency operation have become more acute although they have not changed materially in nature.

Will Follow Canadian Cycle

It seems probable that the cycle through which life insurance sales have passed in Canada will be reproduced in the United States on much the same basis. Today Canadian agencies have 40 percent less manpower than they had at the outset of the war and manpower regulation across the border does not permit agencies to take on physically fit agents between 17 and 45. Nevertheless, Canadian sales this year are running 27 percent ahead of last year. In this country manpower in agencies has not dropped 40 percent as yet, but such a drop is certainly to be expected in the future and more drastic manpower regulations are probable, Mr. Hunter pointed out. The cycle of sales can be expected to curve sharply upward despite lower manpower in the field, with far more production per man than at present.

Phoenix Mutual with a reduced field force is now averaging 46.8 percent more production per man this year than last.

Can Take Up Slack

There is a surplus in the national income this year of some \$28,000,000,000 over that needed for necessity spending, Mr. Hunter pointed out. This "free money" is being used to buy war bonds, pay back debts and similar purposes. People will soon get over the shock of greatly increased taxation and will be casting about for some place to put their money. Life insurance should be able to take up some of this slack in the national economy.

"Recruiting must be kept up even if we have manpower directives in this country," Mr. Hunter declared. "Let's look at this problem for a moment. Just where do the profits of the life insurance business come from now? From underwriting? From investments? Today the profits are from underwriting. No company can afford to sit back and coast in its underwriting. General agents must keep the desks in their offices filled to keep abreast of overhead and to keep the sales volume up where it belongs."

Source of Recruits

"Where are recruits coming from now? We made a survey among our managers and out of 44 managers who answered 21 find newspaper advertising works best today, 12 favor centers of influence; six, personal contact and five recruiting by agents."

Thirty-two managers answered a question on how they make use of

newspaper advertising for recruiting purposes. Fifteen of them use ads for salesmen regularly and consistently in their local newspapers; 11 use such ads irregularly and six occasionally. It is interesting to note that the 15 who use newspapers regularly averaged the largest number of prospective recruits and also brought the largest number of new men into their agencies.

On the question as to how much the managers seek the cooperation of their agents in getting recruits, 36 managers replied. Seventeen of them seldom sought help from their men on recruiting; 11 sought it occasionally and only eight regularly. It is highly significant that the 17 who pay little attention to this factor inducted three men into their agencies while the 11 who occasionally talked to their agents about recruiting brought in six men and the eight who seek cooperation regularly brought in eight new men in this way.

Good Men Brought In

Men brought in through newspaper ads average larger production and produce higher quality business than those brought in other ways. Formerly newspaper advertising for new men was considered the court of last resort; today it appears to be the best means of obtaining men, Mr. Hunter stated. No comparison was sought as to the comparative merits of display and classified section advertising, but results indicated that the "blind" type of advertising, with replies addressed to a box number, were the most productive.

There are many plans for compensating agents for bringing new men into the business. Some agencies will pay an agent \$100 for bringing in an acceptable man; others pay a percentage of the new man's first-year commissions, others give presents of leather brief cases, etc. Mr. Hunter declared that his personal opinion is that it is best to refrain from commercializing this activity, that it is better to praise an agent and honor him in the agency rather than to pay him for his recruiting efforts. The need for new men should be put up to the agents and their cooperation sought on a loyalty basis.

Schauer to Detroit for Penn Mutual

Bill A. Schauer has been appointed by Penn Mutual Life as general agent at



BILL A. SCHAUER

Institute of Life Insurance.

Mr. Schauer's personal production has been substantial. He was made an agency supervisor in 1938. He has brought 15 men into the business as agents, while managing a unit in metropolitan Pittsburgh which sells about a million a year.

He has acquired a reputation as a public speaker, having appeared before underwriters' associations in numerous large cities telling his own story of getting into the business and into pro-

duction. This story is so effective that it has been published in a booklet by the Penn Mutual.

State Farm Life Passes \$100,000,000 in Force

State Farm Life of Bloomington, Ill., now has in excess of \$100,000,000 of insurance in force. State Farm Life was organized in 1929 and is represented in 34 states and the District of Columbia, by those agents who also represent State Farm Mutual Automobile in that territory.

During the first 10 months of 1942, State Farm shows an increase of 13.3 percent in new paid-for ordinary.

One of the pioneering developments of State Farm was its "Chief Policy," which it brought out last year, designed for pure protection at low cost. It now offers through this policy, to men and women between the ages of 16 and 35, \$2,000 of decreasing term insurance for \$17.50 a year.

Thorp and Paul to Speak

Features of the meeting and annual dinner of the Life Managers Association of Greater New York, Dec. 8, at Hotel Roosevelt will be addresses by Abner Thorp, Jr., editor "Diamond Life Bul-

Grand Rapids Agent Is Commissioner Possibility

LANSING, MICH. — Considerable pressure is being exerted, it is understood, in support of the appointment by Governor-elect Kelly of David A. Forbes, Grand Rapids agent, as Michigan insurance commissioner. It is taken for granted that the present commissioner, Eugene P. Berry of Detroit, will be replaced by the new Republican governor.

Mr. Forbes is a former president of both the Grand Rapids Association of Insurance Agents and the Michigan association. He is senior partner in the Forbes & Belknap agency, founded in 1921. No agent has ever been named commissioner in Michigan, but a former field man, the late C. D. Livingston, served two terms in the post and received special praise for his administration of the office.

letins," Cincinnati, at the afternoon session, and Randolph Paul, Acting Secretary of the Treasury, at the dinner. Mr. Thorp will analyze the results of the questionnaire sent to all members on agency practices. H. Arthur Schmidt, New England Mutual, president, will preside.



Safe!

AMERICAN NATIONAL
INSURANCE CO.

W. L. MOODY, JR.,

PRESIDENT





E. J. Scholefield of the Research Bureau staff and President B. F. Biggers of Republic Life of Oklahoma City at meeting of Research Bureau and Life Agency Officers in Chicago.

Takes Annuity Instead of Cash; Income Tax Applies

WASHINGTON—The new federal tax court has held that the funds used to purchase an annuity for a taxpayer from his share in a bonus fund constitutes income of the taxpayer when the policy was purchased, and that he is taxable for it in that year. The case was *Deupree vs. Commissioner* (I.T.C., 14).

Testimony indicated that Deupree, president of Procter & Gamble, directed the corporation to purchase a single premium annuity policy for \$50,000 in Connecticut General Life and deliver the policy to him. While he could not realize upon it in advance, the court holds that the \$50,000 was used at his direction, and is taxable to him.

The beneficiary of the contract conceded that if he had received the \$50,000 in cash, it would have been taxable to him. He contended, however, that it was not paid to him in cash, but that the company used the sum to purchase the annuity, and delivered it and not the cash.

He contended also that the annuity had no fair market value, and no realizable value, since he could not surrender it, or obtain any of the cash in advance. Hence, he said, he was not in receipt of the \$50,000 income.

The commissioner argued that Deupree had constructively received the \$50,000, and that this being true, the question of the lack of any fair market value or realizable value of the annuity dropped out of consideration.

Finding of the court was that the \$50,000 was constructively received and the taxpayer must account for it as taxable income. Its use to purchase an annuity, said the court, was at the taxpayer's request, and was his own idea and not the company's idea. He did not refuse to accept the \$50,000 bonus as additional compensation, the court said, but he in a controlling way directed its use in the purchase of the annuity, which was delivered to him.

Procter & Gamble had decided to set up a fund to give extra compensation to certain key executives, the president to get \$50,000. Mr. Deupree, however, requested that the company, instead of paying him the cash, purchase the annuity. Had the corporation set out originally to give the annuity rather than cash, then, of course, the decision might very well have been different.

N. Y. Negro Leader Tells Stand on Insurance Proposal

NEW YORK—Even though relaxing the New York anti-discrimination law might induce some of the leading companies to resume the active solicitation of Negro risks, the sacrifice of principle would be too great a price to pay for the admittedly better insurance service that would follow, according to Elmer A. Carter, prominent New York Negro leader. Mr. Carter is chairman of the committee which Superintendent Pink of New York appointed some time ago to develop a proposal for a better type of insurance than is usually offered by companies accepting business in New York from Negroes. He is a member of the New York state war council and for a number of years was editor of the magazine "Opportunity" until he resigned recently to give more time to his duties as a member of the New York state unemployment insurance appeals board.

Couldn't Get Law Changed

Aside from the question of principle, Mr. Carter stated that as a practical matter it would be impossible to get the anti-discrimination law changed over the protests of the Negroes, most of whose leaders are opposed to the change. These leaders, he said, recognize that the difficulty stems from the higher Negro mortality rate which means that rated policies are indicated for the majority of Negro risks and that the problem is to give Negroes insurance compatible with their means and mortality which would not involve an actual discrimination without relaxing the anti-discrimination law. The law is not entirely clear in this respect in the view of some lawyers.

Want No Backward Step

Nevertheless it is felt that the whole matter of nondiscrimination is so important that it would be a serious error to permit what could be regarded as a backward step even though what may be termed discrimination is as fully justified by experience and statistics as is the higher mortality of say, persons with heart murmurs or residents of the tropics.

Most Negro leaders, Mr. Carter feels, would view any relaxing of the anti-discrimination law as a precedent which might eventually be used as a means of furthering legislation that would not be in the Negroes' interest and perhaps

definitely hostile in intent and harmful in results.

Relaxing of the anti-discrimination ban might very well have an effect on the conduct of the war and the length of time it will take to bring it to a victorious conclusion, according to Mr. Carter. He pointed out that most white persons do not realize how closely the inhabitants of non-white countries follow the treatment accorded to Negroes in the United States and how cleverly Axis propagandists make use of every conceivable action or utterance that can be distorted to look like racial discrimination.

Effect on Other Races

Any action which can be regarded as racial discrimination not only depresses the morale of the 13,000,000 Negro citizens of the United States, but weakens the faith of many millions of colored persons elsewhere in the world who are vitally interested in the war and post-war aims of the United Nations. Experience of the British in Malaya, Burma and India has demonstrated how important it is to have the sympathy and cooperation of the populace.

Trades Car for Saddle Horse

Virgil Ragar, general agent of Franklin Life in Sedalia, Mo., several weeks

ago purchased a fine saddle horse and his intention is to go into the country and live with the farmers. His goal is to write \$25,000 and not burn a drop of gas. Several prospects have kidded him about the horse, and three have said they would buy if he rode up on his horse. One lives 48 miles from Sedalia, and Mr. Ragar intends to ride up to his house about sundown and stay for the night. "He will be a policyholder before we eat breakfast," he predicts.

Boston Actuaries Meet

The Actuaries Club of Boston, with Aylmer B. Paisley as chairman, will meet Dec. 4. It will consider current company experience and discuss what procedure should be followed in suspension of disability coverage to policyholders in the armed forces; what changes in life insurance accounting will be required by the current revenue act; what will be the effect of the act on other phases of life insurance such as pension trusts and the purchase of high priced plans financed by money borrowed at low interest rates, and any new developments in connection with the Gherin report, with particular reference to the model legislation. Edward Green will report on the joint meeting of the Actuarial Society and American Institute of Actuaries in Toronto.

*Praise the Lord
and pass the
ammunition!*

B. M. A. salesmen have no time to think about their place in the war effort. They're already in the fight. They have the ammunition in the form of the most modern weapons of economic protection and a whole Nation full of people who need their advice and counsel. So they're going to keep right on working until the Government asks them to do otherwise.

Business Men's Assurance Company
KANSAS CITY, MISSOURI

W. T. GRANT
President

J. C. HIGDON
Vice-Pres. in Charge of Sales

Jump in Inquiries Linked to Ban on Installment Sales

Completion of Contracts Frees Large Monthly Margin for Insurance

HARTFORD—Paying off installment purchase commitments and the rationing or scarcity of many types of articles have apparently progressed far enough so that many families at the lower fringe of the middle income group have a considerable excess of income over outgo which they are able, and in some cases willing, to put into life insurance. For some time Aetna Life has been sending out with premium notices circulars soliciting inquiries on its dollar-a-week savings plan. In the last month or so the number of replies has shown a sharp upturn. Furthermore the rate of increase has risen steadily since it first began to be noticed. For the last week it was much greater than it was a month ago.

Those who send in the policies are asked to indicate what insurance they now own and usually it is a very modest amount, typical of the usual installment buyer. While most of them are in the income group which will pay more taxes than it did last year, or perhaps will be paying income taxes for the first time, they are apparently not worried about the tax question for they are not in the brackets that would be hard hit even by the drastic changes that have been made by the 1942 revenue act.

Life insurance men have long been aware that their real competition was not their fellow agents but the greater immediate attraction of tangibles like automobiles, washing machines, vacuum cleaners, radios, and even fur coats and jewelry, all of which could formerly be purchased on the installment basis. Many families with modest incomes have been putting \$30. to \$50 a month into installment purchases. Even allowing for a substantial investment in war bonds there would still be a good margin left for investment in life insurance once it is no longer possible to spend large amounts for tangibles and past installment commitments are liquidated.

Heads General Agents of Provident Mutual

George P. Shoemaker of New York is the new president of the General Agents Association of Provident Mutual Life. He is the youngest general agent ever named president of the association. He was recently elected secretary-treasurer of the Atlantic alumni of the Sales Research Bureau.

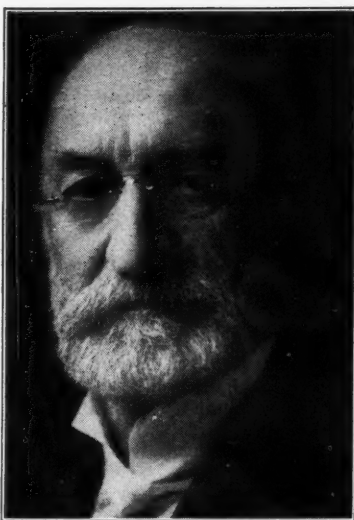
Joe B. Long of Knoxville is vice-president; Charles S. Peck of Allentown, secretary, and Clarence A. Post of Milwaukee, auditor.

Mr. Shoemaker's agency has shown a remarkable increase in the volume of new business since he was appointed general agent in 1937, having risen from



G. P. Shoemaker

Passes 100 Million on President's 86th Birthday



HEBER J. GRANT

On Nov. 22, the 86th birthday of President Heber J. Grant, Beneficial Life of Salt Lake City passed the \$100,000,000 mark of insurance in force. The effort to achieve this result by Mr. Grant's birthday was started about two months ago and was successful.

Mr. Grant, who is also president of Utah Home Fire and the Mormon Church, became president of the Beneficial in 1918 when the company had \$22,613,000 insurance in force and assets of \$2,520,000. At the end of 1941 the company, which has shown a consistent growth in the west, had more than \$50,000,000 in force and assets of \$17,436,000. Assets now are approximately \$19,000,000.

Tax Decision on Employee Group

WASHINGTON — Voluntary reserves set up by an employees benefit association, which is not subject to state insurance laws, are not entitled to the deduction privilege of statutory reserves insofar as federal income tax is concerned, the U. S. Court of Tax Appeals decided in holding against the Swift & Company Employees Benefit Association of Chicago. The organization provides life and A. & H. benefits for employees of the packing house. While it set up reserves on the American Experience 3½ percent basis, the reserves were described as voluntary, and the business is in no way supervised by the Illinois department.

The company is taxable under section 204 of the revenue acts of 1934 and 1936 as an insurance company other than life or mutual, the court held.

The company had made its returns as a life insurance company, entitling it to the deduction of 3¾ percent of the mean of its reserve funds.

The tax court asserted that in order to qualify, the reserves must be required by law, and that a voluntary setting up of reserves is not sufficient.

Weekly amounts from employees were collected by the benefit association based upon the level premium plan.

The commissioner argued that there were in fact no unearned premiums, on the basis that the amount deducted each week from the pay of the employee merely represented payment for protection during the preceding week, and

32nd to 15th place in standing. He is public relations vice-president of New York Life Underwriters Association, executive vice-president of New York City C.L.U., a director of the Life Managers Association. He is a graduate of Williams College.

that the benefit reserve was no more than a surplus account. This contention was founded on the theory that the reserve was composed of the excess of the benefit company's total accumulated receipts over its expenditures in operation. The tax court threw out this contention, however.

Earlier Excess Premium "Unearned"

Unearned premiums the company manifestly had, the court says, as evident from the fact that its policies were issued on the premium level plan. They were created in the early policy years, when an excess premium was collected which exceeded the current cost of the insurance risk, and held or reserved against the period when, at an advanced age, the cost would exceed the premium payment. It was this earlier excess premium which the court said is unearned premium, and held to be deductible.

The commissioner lost also in the contention that the reserve is a surplus

account; the court said that it is definitely for the protection of insurance contracts, and demonstrated in the fact that there are no distributions of profits by the company, with no necessity to segregate and establish a true surplus account.

Finding of the court is that the increase in each of the taxable years in the taxpayer's actuarially computed reserve against its life insurance risk, consisted of its unearned premiums which are deductible. In other words, that in determining gross income and the computation of the net income upon which the company is taxable, the company may deduct its unearned premiums.

Out of each \$1 of total life insurance income of all companies in the United States, operating expenses and taxes took only 15.7 cents last year; 48.4 cents was paid to policyholders and beneficiaries, an additional 29.9 cents used for increases in policy reserves, and the remaining 6 cents for other items.



Few and far between are the insurance men who can work entirely alone. We occasionally come upon such a man, but we know that most successful careers are built through the proper coordination of intensive training, planned prospecting and the effective use of sales promotion material. In addition, those who succeed usually avail themselves, where possible, of the experienced thinking and counsel of other successful men.

And because most success is built this way, the entire Connecticut General organization is geared to achieve that kind of success for its men. It would be difficult to find a more thorough training plan than Connecticut General's continuing program. Prospecting methods are based upon carefully controlled principles that have proved their effectiveness. Sales promotion material is timely, attractive, and has proved itself unquestionably practical. In addition, the opportunity is always open for our men to secure the counsel of experienced management men.

Individuals may differ, but we believe that this kind of complete coordination of sales activities has been an important factor in the success of many Connecticut General men.



CONNECTICUT GENERAL
LIFE INSURANCE COMPANY
HARTFORD, CONNECTICUT

Life Insurance, Accident and Health Insurance, Salary Allotment Insurance and Annuities, All Forms of Group Insurance, and Group Annuities.

EDITORIAL COMMENT

The Demand for a Washington Front

The two great organizations in the field of insurance production—National Association of Insurance Agents and National Association of Life Underwriters—currently have a common objective. Each is seriously disturbed by the attitude in Washington toward the insurance business and the insurance salesmen and each is anxious to develop what might be called a Washington front—representation of the industry at the capital that will get officialdom so to say on the alkaline side insofar as insurance is concerned.

The N.A.I.A. is moving independently to develop the kind of representation it desires there without seeking to get the companies to participate.

The N.A.L.U. is anxious to have all elements of the life insurance industry speak at Washington with one voice and it wants the companies to join hands with the field force in the project.

Apparently both the life and the fire casualty groups believe it is shortsighted for insurance interests to handle Washington problems on a snake killing basis—that is to confine activities to resisting damaging proposals after they have been advanced. What is needed is

consistent missionary work to create an underlying sympathy for insurance or at least a neutral attitude in place of what they fear is an antagonistic and menacing frame of mind on the part of officialdom.

Leaders in the organizations do have a sense of foreboding—a feeling that their worth and services are being grossly underrated and that those who are making the momentous decisions these days in making disposition of men, materials, business, etc., may treat insurance in cavalier fashion unless the business strives to establish itself in official consciousness as a cornerstone of American life.

Insofar as the N.A.I.A. is concerned it is going ahead with its program under the leadership of strong, level-headed and purposeful members. The N.A.L.U. prefers not to move alone but in concert with the companies.

It seems to us that the company executives should at least make the most earnest kind of a study of the proposal with an open mind and with a determination to push the venture or produce a compelling statement of why it should not be done.

Need to Study Social Insurance

In suggesting that casualty actuaries devote considerably more attention to the social insurance field Ralph H. Blanchard, professor of insurance at Columbia University, made a recommendation which might well be taken up by casualty and life insurance men on the firing line as well as the members of the Casualty Actuarial Society, before whom Mr. Blanchard was making his presidential address.

If the well intentioned but sometimes visionary persons who seek to extend the social security legislation need the knowledge and analytical ability of the casualty actuary, as Mr. Blanchard points out, there is also need for men in the field who are interested in accident and sickness insurance and in life insurance to know what is going on in the social insurance field rather than to dismiss it as something entirely foreign to their business. If the public and the public's legislative representatives in congress and the state legislatures are to have the entire picture regarding social insurance the correct facts and figures must be available but they must also be presented in effective strategic fashion.

If any insurance man has a doubt as to the importance of social insurance

to him in his business the information just released on the Beveridge committee's recommendations in Great Britain should remove it. This gigantic proposal would in effect insure every member of the population against personal want and insecurity and would involve state medicine as well as state insurance. It would wipe out the industrial life insurance business, which has more than £1,000,000,000 in force and a premium income accounting for more than one-third of that of the entire British life insurance business. It would substitute a government insurance plan.

The sickness benefits, which would apply to everyone, would take care not only of the individual needs of the patient, but would also provide adequately for dependents.

Naturally such sweeping legislation is not going to be adopted soon, if ever, in Great Britain and it seems a good guess that it will wait until after the war. Nevertheless the fact that such radical proposals are seriously made will lend support to social security advocates in the United States. If Great Britain should adopt the plan there would undoubtedly be strong pressure in this country from the administration to follow suit, as the Beveridge plan is

described as being devised to take the "freedom from want" phrase in the Atlantic Charter and make it a practical reality. The "four freedoms" are just as dear to the Roosevelt administration as they are to the Churchill government and it would be strange if strenuous efforts were not made to keep pace with whatever is done in Britain in the way of social legislation.

If the trend is toward extensive liberalization of social insurance measures in this country it is important to know that and to attempt to guide it into sensible channels rather than merely futilely trying to hold back the tide as long as possible by fighting every manifestation. A trend such as this is far too powerful for any business group to buck successfully no matter what they think of it or how they or their business interests would be affected.

It is quite likely that there will have to be a period of costly, complex and exasperating experimentation before a satisfactory plan is worked out. Regular insurance is not social insurance. As Mr. Blanchard pointed out, it is important to keep in mind the distinctions between them. At the same time private insurance is in many important respects the nearest thing there is to social insurance. Furthermore, since the general public knows very little about the inner workings of either kind of insurance its tendency is to look to insurance men as the logical sources of information on social insurance. Thus the rank and file of regular insurance men are in a good position, if they understand the situation, to keep the public from being swept off its feet by fantastic and costly social insurance proposals.

PERSONAL SIDE OF THE BUSINESS

Clifford R. Garrett, general agent of Northwestern Mutual Life, has been named a director of the Peoria Association of Commerce.

George W. Anawalt, a general agent in Indianapolis of Indianapolis Life, was awarded the Veterans Club pin for 20 years of service at a luncheon. Edward B. Raub, president, and A. H. Kahler, second vice-president and superintendent of agencies, spoke briefly of his record of service. A letter of commendation was read from A. Leroy Porteus, vice-president, who was unable to attend. Others attending, included Charles L. Rouse, secretary; Doyle Zaring, agency secretary; Richard F. Veazey, manager of underwriting department; Edward F. Kepner, assistant secretary, and C. Loren Harkness, manager of the policy department. Mr. Anawalt has been among the company's top five men for the last 17 of his 20 years in business. He has been a consistent member of the company's Counselors' Club, was a charter member of the Honor Roll and has an appa-week record of more than 17 years.

Clarence A. Post, Milwaukee general agent of Provident Mutual Life, is the father of a daughter.

Long active in Masonic circles, **Nathaniel Reese**, Detroit general agent Provident Mutual Life and oldest general agent of his company in point of number of years of service, was honored by having conferred upon him life membership in King Cyrus Lodge. Last February he was similarly honored by Palestine Lodge, the largest Masonic group in Michigan.

A. E. Mielenz, veteran general agent of Aetna Life in Milwaukee, was honored at the 58th annual Thanksgiving dinner of the Milwaukee Y. M. C. A., in recognition of not having missed one of the traditional events since they were inaugurated. Mr. Mielenz, who is 80, is the oldest active Y. M. C. A. member in Milwaukee, is a director and a former president. Enjoying good health and an alert mind, Mr. Mielenz con-

tinues as active head of his general agency.

T. S. Holcomb, general agent of Ohio State Life at Charleston, W. Va., who has been ill for several months, is recovering and is now able to spend several hours each day in his office.

Lawrence W. Rhodes, manager of the home office agency of Interstate Life & Accident, was presented a 25-year service pin by President Joseph W. Johnson. Mr. Rhodes has served as president of the Tennessee and Chattanooga Associations of Life Underwriters, and as trustee of the University of Tennessee.

Fred L. Hirsch, leading producer of Pacific Mutual for the 11 months, was married recently to Elizabeth Block, daughter of Dr. and Mrs. Cecil Block of Dallas. He is a member of the Lem Swinney agency of Pacific Mutual Life in that city. Mr. Hirsch led the entire force countrywide in September and October.

Roy Berger, director of advertising and publications of Connecticut Mutual, visited the Robert N. Waddell agency of the company in Pittsburgh. He conferred with General Agent Waddell, and members of the staff on advertising and publication programs.

One of those who escaped from the Coconut Grove Night Club Fire in Boston uninjured was **Mrs. Scott J. Dow** of Boston, the former Louise Badgerow of Winnetka, Ill., whose father is Harve Badgerow, vice-president of the W. A. Alexander & Co. agency of Chicago.

DEATHS

M. Joseph Lane, 57, treasurer of E. V. Lane Reports, Boston, an insurance reporting concern organized in 1928 by Mr. Lane and his brother, died at his home in Newton, Mass., following a lingering illness.

Jeremiah K. Cronin, 54, management specialist in the real estate department



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"I just received my insurance policy, John, and look. Do you know of any other investment that starts out with that much protection for this little?"

of Mutual Life of New York at the home office since 1940, died at his home in New York City. He was considered a national expert in the field of building management. Mr. Cronin long had been prominently identified with real estate organizations and activities. He was vice-president and chairman of the management division of the Real Estate Board of New York, 1937-1940, and for the six years prior to joining Mutual Life headed the management division of the real estate department of Bankers Trust Company.

Mr. Cronin made many talks at gatherings of real estate men throughout the country and contributed many articles on real estate conditions to magazines and newspapers.

One of the victims of the hideous fire in the Coconut Grove Night Club in Boston was Miss Helen Welch, 17-year-old daughter of Vincent S. Welch, second vice-president of Equitable Society. Her escort, Allan L. Kluber of New York, a student at Harvard, died with her. Miss Welch was a student at Radcliffe College. There is another daughter, Mary Jane Welch, and a son, Vincent S. Welch, Jr.

Bert C. Markle, 55, vice-president of Continental Assurance in charge of group underwriting, died at St. Luke's hospital, Chicago, after an illness of several months. Mr. Markle had been associated with Continental Assurance since 1930, when the group life department was organized. He entered insurance in 1917 as an underwriter in the group department of Travelers, being transferred to the Chicago office four years later as field manager in charge of group business. He was made assistant secretary of Continental Assurance and secretary of its group department when he joined the company, and became vice-president in February, 1941.

C. Wesley Vreeland, for 10 years with the Newark agency of Massachusetts Mutual Life, died following a brief illness. He was chairman of the legislative committee of the Life Underwriters Association of Northern New Jersey and a member of the same committee of the New Jersey association.

Mrs. Mary C. Weddell, widow of the late Thomas R. Weddell, editor of the "Insurance Post," and for some years Chicago representative of the "Insurance Field," died at her home in Hinsdale. Mr. Weddell died in 1934.

Petersen Takes Minneapolis Post with Occidental

Keith J. Petersen has been appointed manager of the Minneapolis branch office of Occidental Life of California.



KEITH J. PETERSEN

He succeeds John L. Gillstrap, who now is serving as a lieutenant in the navy.

Mr. Petersen is a native of Iowa and went to Minnesota in 1914. He entered life insurance in 1923 with Metropolitan, following service overseas in the former war. For the past two years he has been state manager of Northern Life of Seattle. He has been successful as a manager and a consistent personal producer, qualifying for production honors regularly.

Lieutenant Gillstrap, who went in the service a few weeks ago, took over the Minneapolis post in July, 1940. Previously he had been agency assistant in the home office. He joined Occidental in 1937 when Guaranty Life, of which he was agency secretary, was taken over. He was formerly chief examiner of the Iowa department.

"Why Disability Insurance is a Good Investment for You" cost only \$2 per 100. Order from The National Underwriter.



CHRISTMAS

A word so potent it brings visions—visions of a tiny Child, the Star and the three Shepherds; of Santa Claus—the tangible evidence of the love and protection that should be the birthright of every child the world over; of a world lying peacefully beneath the stars, the sky clear, the lights twinkling.

Christmas—with its visions, its promises—a torch for we Americans to carry into the darkened world, to bring back the birthright of little children.

May our Christmas greeting, to one another and to the world, give voice to the eternal hope of humanity everywhere—'peace on earth, goodwill toward men.'

PEOPLES LIFE INSURANCE CO.

"The Friendly Company"

FRANKFORT

INDIANA

AN INSPIRING 9 MONTHS' RECORD

Three-fourths of 1942 is history. This history for the INDIANAPOLIS LIFE INSURANCE COMPANY shows:

1. NEW BUSINESS
22.2% ahead of first three-quarters of 1941.
2. GAIN OF INSURANCE IN FORCE 58% greater than the same period last year. Total gain over \$5,700,000.
3. AVERAGE PRODUCTION and AVERAGE EARNINGS PER MAN continuing to show an increase.
4. FIRST AND SECOND YEAR LAPSE RATIO, as well as RENEWAL LAPSES, continuing at a very low level and now Lowest in the Company's history.
5. A SUBSTANTIAL AMOUNT OF MAN POWER being loaned to the nation through the Armed Forces, more leadership being given for Bond Sales and Civilian Defense.

INDIANAPOLIS LIFE INSURANCE COMPANY

Indianapolis, Indiana

A Quality, Legal Reserve Mutual Company
With over \$126,000,000 in Force

Attractive agency opportunities in Indiana, Illinois, Ohio, Michigan, Minnesota, Iowa, Texas and California.

EDWARD B. RAUB
President

A. LEROY PORTEUS
Vice-President

A. H. KAHLER
2nd Vice-President
Supt. of Agencies

NEWS OF THE COMPANIES

Aetna Companies Have News Letter for Service Men

"Salute" is a new publication now being sent by Aetna Life affiliated companies to its agents and employees serving in the armed forces. It is made up largely of excerpts from letters of Aetna service men in army camps and naval training stations in the U. S. and on active service overseas. Letters in the first issue deal with the weather on Guadalcanal, head-hunting natives in the South Pacific, odd costumes in New Caledonia, a brush with an enemy submarine, etc. Other features of "Salute" include jokes and news of the home front including items of interest about the Aetna organization.

"Salute" will be published monthly as a multigraphed newsletter and every attempt will be made to keep an up-to-the-minute mailing list so that the publication can be sent to each man's latest military address. The last page of the publication is designed as a combination letterhead and envelope and contributions to "Salute" are solicited.

Aetna Life Maintains Dividends

The stockholder dividend declaration of the Aetna Life companies this year is on the same basis as in 1941. Aetna Life declared an extra of 20 cents and a quarterly of 30 cents; Aetna Casualty, \$1 quarterly and \$1 extra and Automobile, quarterly 25 cents and extra 40 cents. All dividends are payable Jan. 2 to stock of record Nov. 28.

Alliance Campaign Successful

Alliance Life reports excellent results during the first six weeks of its annual fall harvest campaign. During this period 12 general agencies have increased production ranging from 5 percent to 51 percent of their quotas. It is expected that the final results of the two month contest will show even greater increases, reflecting increased income of insurance buyers, as well as use of the company's package sales presentations.

John Hancock Supervisory Shifts

John Hancock Mutual Life has made a number of changes in its district organization, effective Jan. 1.

Edward J. Brennan, regional manager of the mid-west territory, has been made district manager at Springfield, Mass., succeeding William Shaw, who retires.

John F. Clarke, field supervisor, has been promoted to regional manager with headquarters in Detroit, covering part of the present mid-west territory.

Samuel M. Kenison, field supervisor, has been promoted to regional manager with headquarters in Chicago, from which part of the present mid-west territory will be covered.

Evans to Farm Bureau Group

Herbert E. Evans, formerly of New York, has joined the Ohio Farm Bureau in Columbus, O., as director of personnel for all Farm Bureau companies, including Farm Bureau Mutual Automobile, Farm Bureau Mutual Fire and Farm Bureau Life.

Browne Goes to Home Office

Ernest H. Browne, who has been educational director of the Victor-Winter home office agency of Minnesota Mutual Life for the past few years, has been drafted by the home office production department.

Shenandoah Life Promotions

Shenandoah Life has appointed Mrs. Amy C. Van Pelt and P. C. Faw as assistant secretaries.

Mrs. Van Pelt was employed in 1920 as a stenographer in the claim department.

In 1936 she was appointed manager of the claim department and has continued in that capacity.

Mr. Faw graduated from McPherson College, McPherson, Kan. He went to Winston-Salem as cashier of the Southern Bell Telephone Company for three years. He then became associated with the Wachovia Bank & Trust Company.

He went to Roanoke in 1918 with the National Exchange Bank and was with that institution until he joined Shenandoah Life in 1927. In 1934 he was appointed manager of the premium collection department and has continued in that assignment until the present time. He is secretary of the Williamson Road Lions Club.

Assistant Agency Bulletin Editor

Myron D. Jones has been appointed assistant editor of the "Agency Bulletin," weekly sales magazine of Union Central Life. He was formerly assistant to the head of the advertising and sales promotion departments of the Gruen Watch Company.

Mr. Jones has a broad background in

advertising and sales promotional work. After completing his schooling, he was associated with the staff of radio station WLW for three years. Then he was a copywriter for one of Cincinnati's leading advertising agencies for two years.

Parr Assistant Agency Chief

W. R. Parr has been appointed assistant agency secretary of Manufacturers Life. He joined the head office staff in 1931, and from 1933 to 1939 served as assistant cashier and cashier in a number of branches in western Canada. In 1939 he returned to head office, where he has been associated with Agency Secretary K. T. Moore. He will continue to handle work relative to the production clubs.

Saitta Quits Home Friendly

Walter Saitta, superintendent of agents of Home Friendly, has resigned. Previously he was one of the top ranking managers of Metropolitan Life, serving for about 20 years. He managed five branch offices in Ohio for Metropolitan, then transferred to Baltimore and Jersey City. Mr. Saitta plans a month's vacation in Florida and will reenter life insurance after Jan. 1.

LIFE AGENCY CHANGES

N. E. Mutual Names Weaver and Lumb

New England Mutual announces wartime adjustments in its general agencies at Baltimore and Harrisburg, Pa.

In Baltimore, General Agents Frederick A. Savage, Jr., and Maynard C. Nicholl have requested leaves of absence, Mr. Savage to devote his entire time to the American Red Cross, and Mr. Nicholl to join the army as captain, the same rank he held in the British army in the former war.

J. Franklin Weaver, who has been with the Baltimore office 19 years, has been appointed associate general agent and will now be in charge. Frederick A. Savage, Sr., dean of New England Mutual's general agents, will continue with the agency in an advisory capacity.

In Harrisburg, Frederick A. Lumb has been appointed associate general agent during the absence of William B. Wagner, general-agent, who has also been commissioned a captain in the army.

Mr. Lumb has been a consecutive

"App-a-Week" man since he entered life insurance in 1937. He is vice-president of the Harrisburg Association of Life Underwriters.

C. B. Knight Agency Names Define Assistant Manager

G. Henry Define has been named an assistant manager of the C. B. Knight Agency of Union Central Life, New York City, succeeding Maurice Ziff, who is on leave of absence as a captain of the coast artillery anti-aircraft division at Camp Eustis, Va.

Mr. Define has been with Union Central for 20 years, starting his career in July, 1922, in a clerical post with the Baltimore agency. Not long after entering the office he was appointed cashier. Succeeding years saw him promoted to a supervisory capacity as general assistant to the manager of the agency. In 1937 Mr. Define was named manager of the Union Central's agency at Lynchburg, Va.

Whitlow Wyatt Now an Agent

Whitlow Wyatt, star pitcher for the Brooklyn Dodgers in 1942, has entered

In Memphis Post for Provident Mutual



J. ALLEN CREATH

J. Allen Creath, who has just recently joined Provident Mutual Life as general agent at Memphis, for the past 4½ years has been manager of the Birmingham general agency of Union Central Life. Mr. Creath is located in the Sterick building in Memphis. He is a native of the city in which he is now located and his family has resided in Shelby county for four generations. He was formerly deputy clerk in the probate court of Shelby county and had sales experience in the automobile field before entering the life insurance business 10 years ago.

Although Provident Mutual has not had a general agency in Memphis for several years, it has more than \$1,000,000 insurance in force in Shelby county.

the life insurance business as agent for Franklin Life at Rome, Ga. He has been a prominent major league pitcher for several years. He became interested in life insurance through his cousin, Knox Wyatt, who was with Franklin Life at Rome but is now in the armed service.

Richmond Managers in Service

Carroll Scott, Richmond, Va., manager of Reliance Life, has joined the army. Vernon Chalkley will be in charge for the duration. Conrad Little,

THE
MANUFACTURERS
LIFE
INSURANCE COMPANY

Complete Brokerage Facilities

All Life, Endowment and Annuity Plans. Standard and Sub-Standard Risks.

Favourable Par and Non-Par Rates. Foreign Travel Coverage.

INSURANCE IN FORCE, 632 MILLION DOLLARS

(Including Deferred Annuities)

ASSETS, 205 MILLION DOLLARS

HEAD OFFICE
TORONTO, CANADA
Established 1887

general agent of Connecticut Mutual, is in the navy with a commission as lieutenant. Robert B. Proctor, formerly with the Pittsburgh agency, is filling in for him. Horace Clay, general agent of Mutual Benefit Life, also is in the navy. William Davies is in charge. Nathan Bushnell, manager of Prudential, is in the navy, with the rank of lieutenant. C. H. Robertson is filling in for him.

Ratliff Is New Orleans Manager

J. O. Ratliff, who has been a superintendent and prior to that an agent for Washington National in New Orleans, has been made manager of the New Orleans district.

Jones Named Brokerage Manager

M. C. Jones has been appointed metropolitan brokerage manager for the Phineas Prouty, Jr., agency of Connecticut Mutual Life in Los Angeles. He has been in the insurance business 15 years.

C. T. Cubelis Resigns

Charles T. Cubelis, who has been Newark manager of Continental American Life for about a year, has resigned. The branch office will be closed temporarily until a successor is appointed.

Berthiaume Portland Manager

California-Western States Life has appointed Phil Berthiaume, northwest group supervisor for several years, as manager in Portland, Ore. He succeeds Earl Knudsen, resigned. O. J. Baudin is now supervisor in Seattle.

Opens Ocala, Fla., Agency

Mutual Life has established a district agency at Ocala, Fla. George Martin has been named district manager.

J. S. Ulrich & Co., general insurance agents at Plainfield, N. J., have established a life department with John N. Voorhees in charge. The life department will represent Lincoln National Life.

Cooper Smeaton, well-known National Hockey League referee, has been named Ottawa district manager of Sun Life of Canada.

Metropolitan Life has appointed George A. Robinson manager at Sudbury, Ont.

CHICAGO

CHICAGO MAYORALTY POSSIBILITIES

Newspaper political analysts, in discussing the Chicago mayoralty possibilities, have mentioned the names of three men identified with the insurance business as possible Republican candidates. Republican ward committeemen are scheduled to commence next week discussing the situation. Those mentioned include Ferre C. Watkins, attorney for the liquidation bureau of the Illinois insurance department and a prominent Chicago attorney; Herbert J. Lorber, vice-president of the Rollins-Burdick-Hunter Company, who for several years has directed the Chicago campaign in raising funds for the National Foundation for Infantile Paralysis, and Philip Collins, well known class 1 member of the Chicago Board of Underwriters and chairman of the Illinois Commerce Commission.

MILLETT BEFORE SUPERVISORS

Paul F. Millett of Spindell-Millett Service, Chicago, spoke before the Group Supervisors Division of the Chicago Association of Life Underwriters at the monthly luncheon meeting. He appeared in place of Robert F. Spindell, who spoke last month, and continued the discussion of the 1942 federal revenue act.

HOUEZ DINNER DEC. 16

W. M. Houze, general agent in Chicago for John Hancock Mutual Life, will be host to members of the agency and

a few other friends at a dinner at the Union League Club, Dec. 16. That marks Mr. Houze's 39th anniversary with John Hancock and his 58th birthday. This has become an annual custom with Mr. Houze and it is a particularly cordial occasion.

ZITZMANN 35-YEAR MAN

Martin A. Zitzmann, general agent for Midland Mutual Life and operator of the agency bearing his name in uptown Chicago, is completing his 35th year in the insurance business. He started with the late Col. J. H. Strong of John Hancock Mutual in 1907, and was with him 13 years. He served Missouri State Life as agent, assistant manager and manager until 1931. He was manager of Guardian Life until 1935, when he established his own agency in uptown Chicago. He has many friends in the business and his insurance public is now in its third generation.

MANAGERS

Detroit Managers Expand War Activities; Open Office

DETROIT — The Associated Life General Agents & Managers of Detroit is opening a full-time office to handle the sale of Series E, F and G war bonds by Michigan life agents and to disseminate information on life insurance for men entering military service. Other problems requiring centralized effort also will be handled.

Herbert B. Thompson, Detroit attorney, secretary-treasurer of the Michigan Association of Life Underwriters and secretary-counsel of the Associated Life General Agents & Managers, will manage the office for its first six months of operation. In order to devote his entire time to the project, Mr. Thompson has taken a leave of absence from his legal firm of Thompson, Coe & Allen. The office will be at 2200 Buhl building.

Tax Talk in Houston

HOUSTON—The Houston General Agents & Managers Association heard Wright Matthews, former assistant commissioner of internal revenue and now a practicing lawyer in Houston, specializing in tax problems, read a paper on the new federal tax laws.

Plan Leaders Club Dinner

At the November meeting of the Oklahoma General Agents & Managers Club, a committee was appointed to plan for the annual Leaders Club dinner, tentatively scheduled for Jan. 29. Robert H. Carter, Connecticut Mutual, is chairman.

Cleveland Supervisors' Activities

The Supervisors Group of the Cleveland Life Underwriters will meet Dec. 7. General discussion will follow the luncheon. The Christmas party will be held Dec. 12.

Hugh A. Matier, public relations director of the Union Oil Co., spoke before the Life Agency Cashiers Association of Los Angeles on the Alaska highway.

COAST

Washington Quarter Million Dollar Round Table Meets

SEATTLE — The Quarter Million Dollar Round Table of Washington at its annual meeting here analyzed changes in the life insurance field that may be expected under the 1942 revenue act and made plans for increased service to clients. Problems of mutual interest

also were discussed with trust officers of leading banks. The meeting was called by Clarence L. Hagstrom, associate general agent of Massachusetts Mutual Life, round table president.

Gerald DeGarmo of the Seattle law firm of Allen, Hilen, Froude & DeGarmo spoke on "The New 1942 Revenue Act and the Life Insurance Man's Responsibility to His Clients." Clifford L. Morse, manager of Phoenix Mutual Life, with wide experience in partnership, corporation and keyman insurance and pension trusts, spoke on those topics.

Donovan F. Moore, president Washington Association of Life Underwriters; Paul Cressman, president of the Seattle association and H. L. Quigley, president of the Seattle C.L.U. chapter, were special guests.

The Round Table enrolled 55 members the past year, according to John M. Utter, Equitable Life of Iowa, secretary-treasurer.

Howells Named Utah Deputy

SALT LAKE CITY—E. H. Howells, agent of Prudential here, has been appointed deputy insurance commissioner, succeeding C. N. Ottosen, who resigned to become assistant attorney-general. Mr. Howells entered the ordinary department of Prudential here a year ago and before that represented New York Life for a brief period. He has also had

experience in other lines, having for about eight years represented Continental and Commercial Union for fire business. He is a graduate of the University of Utah, specializing in commerce and finance. Several years ago he was far eastern representative of five motion picture producers, with headquarters in Singapore.

Change Des Moines Work Day

DES MOINES—Insurance companies in Des Moines changed working hours Dec. 1 with gasoline rationing in line with a stagger-working hour program.

The companies opened a half-hour later and closed a half-hour later. Bankers Life now opens at 8:30 a.m. and closes at 4:30 p.m., with most of the other companies using the same working hours.

R. J. Wanek of St. Louis, office manager of Northwestern Mutual Life, has been confined to the hospital for the past four weeks, and it will probably be a couple of weeks before he is able to return to his desk.

"What to Say in Selling Life Insurance" has helped tens of thousands. Real interviews by real salesmen. Duryea, \$1.50. Order from National Underwriter.

THE NEW INSURANCE MONEY MAKER

issued by the
ILLINOIS BANKERS LIFE ASSURANCE
COMPANY

THE INCOME BUILDER

1. We have a NEW PLAN to enable you to make more money in these times.
2. ONE-TENTH THE SALES, through large first commissions and large renewal commissions will return you TEN TIMES the earnings of the same volume of life insurance alone under our plan.
3. IN ONE YEAR, you build as large a renewal income as you would in ten years writing the life insurance alone under our plan.
4. This Insurance Pays All Ways:

If you live too long.
If you do not live long enough.
If you are disabled.
If you have an emergency need for cash.
ALL AT EXCEEDINGLY LOW COST.

HUGH D. HART
Vice President and Director of Agencies

**Illinois Bankers Life
Assurance Company**

MONMOUTH, ILLINOIS

Latest Policy Changes

By JOHN H. RADER

The National Underwriter is the only weekly insurance newspaper providing its readers with important last minute policy and dividend changes. Compiled by John H. Rader, National Underwriter statistician, these weekly reports supplement the data contained in the Little Gem, published in March at \$2.50 a copy, and the Unique Manual-Digest, published in May at \$5 a copy.

Provident Mutual Revises Scale

Provident Mutual has revised its dividend scale for 1943 on account of continued decline in interest rate earned on invested assets. Dividends on policies with a high reserve per \$1,000 of insurance are affected more than those with relatively small reserve. The change is negligible on term policies and on ordinary life contracts in early policy years.

In the aggregate, for all plans, ages and durations combined, the change is equivalent to an average dividend reduction of about \$1.30 per \$1,000 total insurance in force, or on premium-paying policies an average increase of about 5 percent in net cost (regular premium less dividend) payable by policyholders.

For 1943, Provident Mutual will allow 3.25 percent interest on optional settlements and 3 percent on accumulated dividends—or the policy guarantee, if greater.

Illustrative dividends and net costs on the 1943 basis applicable to the premium scale now in use are:

Ordinary Life		Net Premium		End of Year		10 Yr.		20 Yr.	
Age	Prem.	1	10	20	Av.	Av.	Av.	Av.	Av.
15	\$15.81	\$12.41	\$11.61	\$11.06	\$11.98	\$11.64			
25	19.61	15.73	14.80	14.46	15.21	14.91			
35	25.88	21.28	20.52	20.01	20.87	20.56			
45	36.72	31.33	30.32	29.61	30.79	30.36			
55	56.82	49.84	48.50	46.46	49.14	48.30			
60	72.40	64.16	62.14	59.32	63.24	61.92			
65	94.18	84.17	80.83	74.76	82.51	80.43			

20 Payment Life		Net Premium		End of Year		10 Yr.		20 Yr.	
Age	Prem.	1	10	20	Av.	Av.	Av.	Av.	Av.
15	\$25.38	\$21.88	\$20.98	\$20.46	\$21.40	\$21.03			
25	29.69	25.61	24.61	24.31	25.05	24.74			
35	36.79	31.09	30.28	29.91	30.65	30.65			
45	46.43	39.96	38.94	38.57	39.41	39.04			
55	62.65	55.62	54.33	53.63	54.93	54.35			
60	76.21	67.94	66.02	65.50	67.05	66.15			

Protector Life		Net Premium		End of Year		10 Yr.		20 Yr.	
Age	Prem.	1	10	20	Av.	Av.	Av.	Av.	Av.
15	\$15.41	\$12.03	\$11.61	\$11.06	\$11.98	\$11.64			
25	21.28	16.39	15.73	15.21	16.39	16.05			
35	31.71	25.36	24.61	24.31	25.05	24.74			
45	50.23	42.94	41.84	41.14	42.84	42.14			
55	64.64	55.62	54.33	53.63	54.93	54.35			
60	76.21	67.94	66.02	65.50	67.05	66.15			

Endowment at 65		Net Premium		End of Year		10 Yr.		20 Yr.	
Age	Prem.	1	10	20	Av.	Av.	Av.	Av.	Av.
15	\$18.14	\$14.72	\$13.89	\$13.35	\$14.28	\$13.92			
25	23.63	19.71	18.75	18.43	19.17	18.87			
35	33.51	28.83	28.04	27.63	28.40	28.10			
45	54.00	48.44	47.43	47.39	47.88	47.59			
55	114.39	106.88	106.10	106.32	106.32	106.32			

20 Year Endowment		Net Premium		End of Year		10 Yr.		20 Yr.	
Age	Prem.	1	10	20	Av.	Av.	Av.	Av.	Av.
15	\$46.74	\$43.02	\$41.91	\$41.45	\$42.42	\$42.01			
25	47.63	43.46	42.36	42.11	42.83	42.51			
35	49.49	44.66	43.78	43.60	44.17	43.90			
45	54.00	48.44	47.43	47.39	47.88	47.59			
55	66.38	59.31	58.06	58.22	58.63	58.21			
60	78.11	69.82	67.96	68.58	68.94	68.26			

Providor at 65—Male		Net Premium		End of Year		10 Yr.		20 Yr.	
Age	Prem.	1	10	20	Av.	Av.	Av.	Av.	Av.
15	\$23.86	\$19.74	\$18.73	\$18.08	\$19.20	\$18.77			
25	31.69	26.95	25.79	25.41	26.30	25.93			
35	45.86	40.20	39.22	38.81	39.66	39.31			
45	75.56	68.80	67.57	65.81	68.10	67.63			
55	164.89	156.63	152.86	154.72	154.72	154.72			

"Economic Victory" Policy Is Issued by Pacific Mutual

LOS ANGELES—Pacific Mutual has brought out an "Economic Victory" policy designed to meet today's economic conditions with maximum protection during the years of peak family expense yet to retain substantial protection after normal retirement age.

The new participating contract is particularly attractive to family men in the 35—50 age bracket with whom living

expenses are high, insurance needs urgent, and economy paramount. The protection extends throughout the policyholder's lifetime without necessity for conversion. After age 65 no premiums are required.

Particular attention was paid to the effect of social security provisions as they relate to the individual who attains age 65. Contracts will be issued for a minimum of \$2,500 and maximum \$100,000.

Rates and policy dividend illustrations are:

Annual Premium Rates		Dividends End of Year	
Age	Prem.	10 Yrs.	20 Yrs.
20	\$14.75	\$19.05	\$26.52
21	15.04	19.61	27.66
22	15.33	20.19	28.89
23	15.64	20.81	30.22
24	15.97	21.46	31.66
25	16.31	22.17	33.23
26	16.71	22.91	34.93
27	17.13	23.71	36.80
28	17.57	24.55	38.85
29	18.04	25.48	41.13
30	18.53		

Dividends End of Year		Total	
Age	Prem.	10 Yrs.	20 Yrs.
20	\$1.83	\$2.44	\$3.09
21	1.84	2.45	3.11
22	1.85	2.47	3.13
23	1.87	2.49	3.15
24	1.89	2.51	3.17
25	1.91	2.53	3.19
26	1.93	2.55	3.22
27	1.95	2.57	3.25
28	1.98	2.59	3.27
29	2.00	2.62	3.29
30	2.02	2.65	3.31
31	2.05	2.67	3.32
32	2.08	2.69	3.34
33	2.11	2.71	3.36
34	2.14	2.73	3.38
35	2.16	2.76	3.41
36	2.17	2.78	3.44
37	2.18	2.80	3.48
38	2.20	2.83	3.54
39	2.22	2.86	3.61
40	2.24	2.89	3.68
41	2.28	2.94	3.76
42	2.33	3.00	3.85
43	2.40	3.08	3.94
44	2.48	3.18	4.04
45	2.55	3.28	4.15
46	2.65	3.38	4.26
47	2.75	3.48	4.37
48	2.85	3.59	4.48
49	2.95	3.70	4.60
50	3.05	3.82	4.71

Washington National Goes to 3 Percent Basis

Beginning Jan. 1, Washington National is adopting the American Experience 3 per cent table, Illinois and New Jersey standards, for all ordinary business. This necessitates an increase in premium rates but at the same time provides higher cash values.

Several of the higher premium forms have been dropped from the rate book, among which are the 10 and 15-payment endowment age 85, 10 and 15-year endowment, thrift refund annuities, 15 and 20-year term and single premium endowments. A mortgage redemption contract has been added. This is a one-year term plan, renewable annually for a given number of years in reducing amounts sufficient to cover the balance of the indebtedness at the beginning of each year. The maximum period for which it is issued is 25 years, but not beyond age 50 at issue. Renewal period will not extend beyond insured's attained age of 69. The maximum coverage is \$25,000 and the minimum initial amount that will be written is \$2,500. The rate of interest payable on the various settlement options will be 3 percent.

Permits Adding Family Rider at Any Time

A new ruling of Oregon Mutual Life makes possible the addition of a family income or family maintenance rider to an existing policy at any time and will take

effect immediately. Thus when addition is made between anniversary dates the rider will be in force for a fractional period longer than the term of the regular rider, and a fractional premium must be collected. The premium will be figured as though the rider were added on the next anniversary date, and the fractional premium will be figured on a pro-rata basis. The premium is taken as of the next anniversary date, even though the insurance age of the insured might then be one year more than at the time the rider is being added, because this is the simplest procedure to follow.

Columbus Mutual Correction

In the article in the Nov. 19 edition showing sample dividends of Columbus Mutual Life under the new schedule, a decimal point was erroneously inserted in the figures under the heading, "Cash Value and Dividend Accumulation at 65." The error was obvious to insurance readers. Thus the cash value and dividend accumulation at age 65 for preferred risk ordinary life \$5,000 issued at age 20 is \$5,615 and not \$56.15 as indicated in the table.

ASSOCIATIONS

Beatrice Jones, Rutherford Featured in Baltimore

BALTIMORE—About 250 members and wives were present at the ladies night of the Baltimore Life Underwriters Association to hear Miss Beatrice Jones, manager of the women's division of a New York agency of Equitable Society, and James E. Rutherford, executive vice-president of the National Association of Life Underwriters.

Speaking on "Can You Take It," Miss Jones expressed the opinion that these are very difficult days in the business and the "It" in her subject referred to the job of the agent, and her subject, therefore, was—Can you take "it" in your stride and can you come up dignified and cheerful at the end of having taken it?

Miss Jones urged the agents to avail themselves of the help which their wives can give them in selling, saying: "Your wife can do things for you that you will never be able to do for yourself in the life insurance business, and one of the things she can do is to start a vogue for wives being proud of their husband's life insurance estate. It is an easy thing for a woman to do to get other women in the habit of talking about the thing she would like to have them talk about." Also, she said, if the agent is called into the war effort, his wife could be that person who would handle his business until he got back.

Mr. Rutherford explained that the first thing the agent has to do when he goes out to sell is to have in mind the needs his product serves and the problems it solves.

Isaac S. George, National Life, was the toastmaster. Harry N. Stadler, president of the association, spoke for a few minutes on the "Thanksgiving Spirit." Richard L. Hyde, Northwestern Mutual Life, and John W. Boynton, Massachusetts Mutual, were co-chairmen of the committee in charge.

Nebraska—President Lloyd W. Hummel has launched a three-point program for the year, which includes getting behind the Keep Well program, bond sales and naval recruiting. By convincing members of the value to them of association membership, a large increase in membership, especially outside of Lincoln and Omaha, has been secured, he states. One association quadrupled its membership.

Boston—Grant Taggart of Cowley, Wyo., president of the National association speaks Dec. 4.

Lincoln, Neb.—Boatswain George Greenwell, in charge of navy recruiting in Lincoln, said that in undertaking to secure recruits for the navy the association has undertaken a big job. He outlined obstacles they will meet and sup-

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NAME OR NUMBER?

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of Illinois

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ALFRED MACARTHUR, President

plied them with answers to the large variety of questions they will be asked. The work is in charge of a committee headed by Nate Lieberman.

Baltimore—The association will play Santa Claus to the sick and underprivileged children in wards of four of the local hospitals Christmas Eve, as it has done for several years. Leonard V. Godine, National Life, is general chairman of the committee. David Goodman, Metropolitan, will be in charge of St. Joseph's hospital; Lewis Kurtz, John Hancock, Johns Hopkins hospital; Richard L. Hyde, Northwestern Mutual, Provident hospital, and P. H. Yeoman, Home Life, Sinal hospital.

Gifts are purchased for each child in accordance with his or her written request to Santa Claus and are distributed by Santa in person at a real Christmas party.

Laporte County, Ind.—Joseph F. Benne, assistant superintendent of Prudential, Hammond, Ind., spoke at a meeting in Michigan City. Grant Taggart, president of the National association, will speak at a meeting Dec. 17 at South Bend, and the LaPorte county organization has cancelled its December meeting so all members may attend.

Pittsburgh—Grant Taggart, president of the National Association of Life Underwriters, discussed "Gearing Our Business to Victory" at the Dec. 3 meeting.

Bluefield, W. Va.—Twenty-two new members were admitted at the monthly meeting, doubling the membership.

Ray Evans spoke on the obligation of agents to the public and to the government.

Knoxville, Tenn.—Guest speaker was Harold J. Cummings, vice-president of Minnesota Mutual Life, on "Mental Attitude."

Cleveland—Grant Taggart, president of the National association, will speak Dec. 16 on "Gearing Our Business to Victory."

Bridgeport, Conn.—The association presented to the Bridgeport Young Women's Christian Association an American flag to be maintained in the new Y. W. C. A. building. The presentation made by Col. Russell Y. Moore, commander of the 242nd Coast Artillery of Fort Wright, on leave from Phoenix Mutual. Owing to the death of the father of Robert C. Gilmore, Jr., president of the association, H. Lansing Speer, first vice-president, acted as chairman.

C. L. U.

Discuss Tax Law in Atlanta

At a meeting of the Atlanta C.L.U. chapter, Granger Hansell, Atlanta attorney, discussed the new tax law as it affects life insurance. Mr. Hansell kept answering questions far into the night.

Bonuses to C. L. U. Candidates

The North American Life of Canada, to encourage participation by its agents in examinations and studies for C. L. U. degrees, will pay bonuses to agents, both in Canada and the United States, on success in certain examinations in connection with the degree.

In Canada, the bonus is \$40 on completion of third year examinations; \$25 on completion of second year and \$15 on completion of first year.

In the United States, the bonuses are divided into five groups: \$20 on completion of first year and \$15 on the completion of the remaining four years for a total of \$80, the same as in Canada.

Report on Chapter 9 Companies

LOS ANGELES—Commissioner Caminetti has prepared a synopsis of his activities as conservator of the Chapter 9 life companies, which is of interest in view of the fact he now is formulating a plan of rehabilitation of the 12 companies.

Assets when he took them over, Aug. 15, 1940, were \$1,947,017, and as of Sept. 30, 1942, were \$2,802,083, a gain of \$828,066. Life insurance written during the period was \$1,702,531, and accident and health annual premiums \$85,911. The conservator has paid to policyholders \$1,768,994.

INSURANCE MEN IN ARMED SERVICES

Lieut. W. H. Siegmund, Los Angeles general agent of Connecticut Mutual Life, has completed his course of instruction at the mine sweeper school and is awaiting orders to report at his new station.

E. E. Bellman, for 13 years cashier in the George H. Page agency of California-Western States Life in Los Angeles, has been inducted into the army.

Three more field men of **Equitable Life** of Iowa have been granted leaves of absence to enter service. **F. B. Thompson**, Harrisburg, Pa., is a captain in the provost marshal training school. **J. M. Flynn** of Toledo is in training as a petty officer at Great Lakes Naval Training Station. **J. A. McIlhatten** of Philadelphia has entered the army.

Joe B. Thompson has resigned from the Oklahoma state senate to remain on active duty with the army air corps. He was formerly assistant Oklahoma insurance commissioner and later an insurance attorney in Ardmore.

Capt. Charles C. Robinson, a combat pilot with the RAF in the last war and for the last 13 years editor of the "Insurance Salesman" in Indianapolis, is on active duty with the army air force at Wright Field, Dayton, O.

M. P. Dickenson, agency manager of Equitable Life in Philadelphia for the last six years, and a member of the Million Dollar Round Table, has been appointed a lieutenant (s. g.) in the navy and will leave Dec. 23 for training at Quonset, R. I.

Hugh M. MacKay, with the legal department of State Mutual Life since 1937, has reported at Camp Stewart, Ga., as a second lieutenant, anti-aircraft artillery.

Edmund Hooker, assistant treasurer of Atlantic Life, now a lieutenant in the navy (j. g.), has just finished a course of training at Princeton.

B. T. Holmes, actuary of Confederation Life, has entered active service. He was told he was too old to fly, so he took the Canadian officers' training course at the University of Toronto. He has been appointed second lieutenant 40th heavy anti-aircraft battalion. Actuary of Confederation Life since 1939, Mr. Holmes is a member of the joint educational committee of the American Institute of Actuaries and American Actuarial Society.

Paul S. Lewis, former agency supervisor of Penn Mutual in Chattanooga, Tenn., has joined the navy and has been assigned to the recruiting office there.

C. D. Dunne, associated with his father, J. E. Dunne, in the "Insurance Index" of Louisville, is in the army at Camp Seibert, Gadsden, Ala.

Frank Niedner, formerly with the mortgage loan department of **General American Life**, is now a lieutenant in the army, stationed in Alaska. **William Seegar**, mortgage loan department, is an ensign in the navy. **Al Krause**, claim department, recently won a second lieutenant's commission. **Harry J. Pells**, formerly general agent in Denver is now

a captain with the 655th squadron at Miami Beach, Fla.

Lieut. Oscar Talmage Smith, associate general agent of the Merrifield agency of Connecticut Mutual Life in Portland, Ore., is now on army duty at Fort Worth, Tex., as provost marshal in that area.

Lieut. (j.g.) Donald P. Luckham, U. S. N., who is on leave as administrative assistant of the California department and who has been on sea duty for several months, has completed his tour of duty and has been ordered to report to Miami, Fla., for a course of special instruction.

Dr. D. F. R. Steuart, assistant medical director, and **Maynard R. Roff**, assistant secretary, Mutual Benefit Life, have left for military service.

William J. Rushton, president of Protective Life, has been advanced from major to lieutenant-colonel. He has been on active duty assigned to the Birmingham ordnance district since March.

Lyman C. Baldwin, formerly superintendent of agencies of Security Life & Accident of Denver, has been commissioned second lieutenant, military police corps. After a 10-day leave in Denver, he reported for duty at Camp Custer, Mich.

J. H. Miller, chief underwriter of State Farm Life, will report this month for active duty as an officer in the naval reserve.

Fulton Champions Cause of State Supervision

(CONTINUED FROM PAGE 1)

American way of life as it has been known will be a thing of the past.

Superintendent Pink of New York in closing the luncheon meeting paid a high tribute to his associates in the department, both those under civil service and those who will be subject to political change. He also spoke most enthusiastically about his contacts with insurance commissioners and their staffs and said that he had been greatly helped by insurance people. He had consulted many of them and had found everybody most agreeable. It was "a swan song" for Mr. Pink, as undoubtedly Governor-elect Dewey will appoint his successor in due season. The insurance fraternity as well as the commissioners have always found Mr. Pink fair and square and he has been a great help to the association.

Commissioner Williams of Mississippi acted as toastmaster. He asked Mr. Pink to introduce Mr. Fulton. Mr. Pink said he was gratified at the opportunity of introducing Mr. Fulton as the speaker, because while everybody was familiar with the very large companies they were not so well acquainted with the others.

Commissioner Williams said that the attendance at the luncheon was more than 650, or about the usual attendance. He remarked that this convention was fraught with more seriousness and serious problems than at any previous time. He commended the smooth functioning of the committees.

Ask Officials to Cut Requirements

(CONTINUED FROM PAGE 1)

said that there are no statutory obstructions in regard to these recommendations except in five states. The others can put the recommendations into effect at once. Where it is necessary he believes legislative remedial measures can be passed early in the year. The Canadian companies have taken up with the Dominion government this same subject, pointing out the economies that will be brought about. Mr. Shepherd said that even if there are five states that cannot accept the recommendations on account of statutory obstacles the others should not hold back.

Ekern Speaks for N. F. C.

H. L. Ekern, representing the National Fraternal Congress, spoke for the fraternalists. He is an official of the Lutheran Brotherhood. He agreed with the Shepherd recommendations, saying that the small fraternalists especially are concerned because of loss of employees. Much of the actual work has to be done outside. He said that the fraternalists need relief.

It was voted by the executive committee to refer the whole question to the committee on blanks of which Walter Robinson, actuary of the Ohio department, is chairman, requesting that committee to invite in the actuaries of the companies and organizations and try to reach some conclusion.

Both Mr. Shepherd and Mr. Ekern declared that totals often could be used and eliminate much itemization, the information furnished being sufficient for all purposes.

Goes with Caterpillar Co.

Frank L. Becker of the Illinois department license division resigned and has gone with the insurance division of the relations department of Caterpillar Tractor Company at Peoria, Ill.

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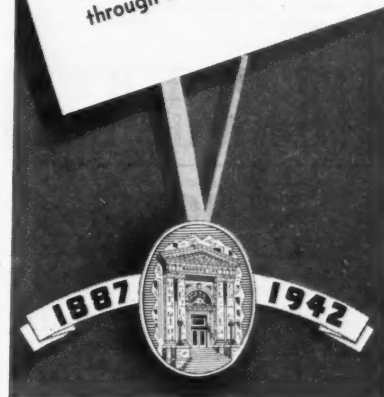
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N. W. National Rearranges Setup of Agency Unit

Some rearrangement of responsibilities in the home office agency staff of Northwestern National Life is announced by President O. J. Arnold. Little actual change in duties is involved, Mr. Arnold said, because the men concerned have for some time past been discharging or gradually taking over the duties now formally assigned to them. W. R. Jenkins becomes sales director and will carry on his activity as liaison man between the president and the agency department. Mr. Jenkins is to be charged with the responsibility and authority of seeing that the agency department activities consistently tie in and conform with the policies, objectives, and plans determined by the president. He will direct an expanded program of education and training. The objective is to bring the agents more definite and valuable assistance from the home office, with better planning and coordination in the operations of the home office agency staff, its supervisors, and the individual agencies.

Carl Peterson's Field

Carl A. Peterson, supervisor of agencies, will devote his full time and energies to stimulating recruiting and agency building activities. He will continue to be available to assist agency heads in handling negotiations with prospective agents.

Alan M. Kennedy, who becomes assistant to the president, will continue to supervise the preparation of printed material, including sales and service helps, advertising, etc., but will devote more of his time to duties to which Mr. Arnold will assign him, both within and outside the agency field, which relate to the gearing of the company's activities to the war program.

W. F. Grantges, agency director, continues as liaison officer between the home office and field organization. However, in order to leave Mr. Peterson free to concentrate on his assigned responsibility, Mr. Grantges will hereafter exercise general supervision over all agencies, assisting them in development of their agency plans, following through with them on policies and objectives, and keeping the president and the home office agency staff informed of the current needs of the agencies.

Harry E. Atwood, agency secretary, is the agency department's financial officer. He also acts as a central clearing and control officer for the agency department and, in large measure, is contact man in correspondence with the field organization.

J. C. Parker, comptroller of agency accounting, supervises home office agency accounting and accounting routines in branch offices, including general supervision of the clerical staffs in branch offices. He also has the responsibility of reviewing new agency contracts and contract changes, before approval, for matters involving accounting procedures. In cooperation with the agency secretary, he maintains various statistical data relating to agency operations.

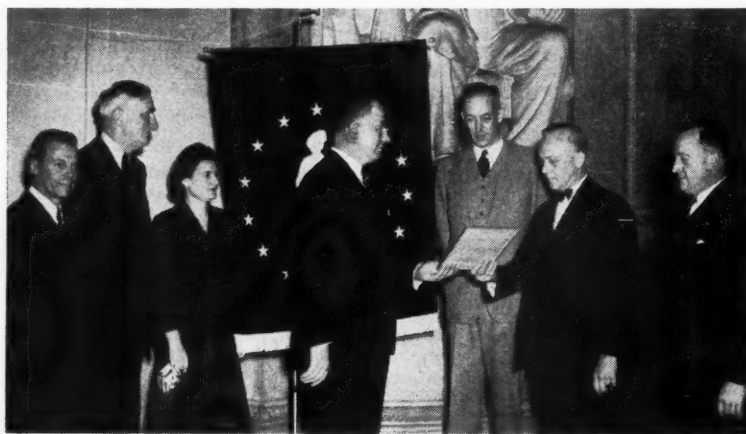
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MANAGEMENT SALES
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Travelers Wins Minute Man Flag



Travelers' home office was awarded by the Treasury a "Minute Man" flag and banner for over 90 percent participation of employees in purchase of war bonds under the salary deduction plan. The presentation in Batterson Hall at the home office is depicted here. Those taking part were: Walter E. Batterson, special chairman Hartford war bond committee; Mayor T. J. Spellacy; Mildred E. Adams, president Travelers Girls Club; Oliver B. Ellsworth, chairman Hartford war bond committee;

William F. Robotham, president Travelers Club; L. Edmund Zacher, president of Travelers, and James F. Pilkington, office supervisor.

President Zacher and the representatives of the Travelers Club and Travelers Girls Club accepted the flag and banner on behalf of the 4,800 employees. The flag, which was obtained by enlisting more than 90 percent of the personnel of 50 departments in the home office, was placed in the entrance hall of the Main street building.

Women Employe Problem Assumes Big Proportions

The shortage of stenographers and other female clerical help is the major problem occupying the attention of insurance company executives these days. The situation was becoming increasingly more difficult but it was greatly accentuated by the wage freezing edict. Girls, instead of seeking to have their present employers get government permission to give them salary increases, simply went out for higher paying jobs elsewhere. Also, a large number of girls apparently felt that another move might be job freezing and they went out to get the best possible job in which to be frozen for the duration.

Fear Reaction from Women

In those cities in which working hours were staggered on Dec. 1, coincidentally with gasoline rationing, some employers are fearful to announce a change in working hours on the theory that some of the girls might object to the new schedule and simply get a position with some organization whose hours are more to their liking.

Seemingly it is difficult even to get the work turned out by having the girls work overtime. One of the smaller life companies, for instance, which had been on a five day week, decided to go on a full six day week and pay the overtime. However, the company went back to the five day week when every single woman employe in the office signed a petition saying that she would quit unless the five-day week were retained.

One proposal is to put service stripes on stenographers after they have been on the job three months.

Iowa Hospital Service Shifts

DES MOINES—Joseph F. Rosenfield, Des Moines attorney, was elected president of Hospital Service of Iowa, succeeding Paul R. Hanson of Des Moines.

Dr. Martin I. Olsen, medical director of Central Life of Iowa, was elected to the board to succeed Dr. Donald H. Kast, who became vice-president to fill the vacancy created by Mr. Rosenfield's election as president. Rosenfield and Olsen also were elected to the executive committee.

Mr. Hanson is now a first lieutenant in the medical administrative corps of the army while Dr. Kast is a captain in the army medical corps.

"Listening Post" Is Published for Service Men

Massachusetts Mutual Life has begun publication of "The Listening Post," a 12-page planographed organ for and about its men in the service. James M. Blake, manager of field service, is editor.

Volume 1, No. 1, for November carries a front page greeting from President B. J. Perry, with a picture of Mr. Perry. The publication is designed to carry news about the men in the service not only to members of the Massachusetts Mutual family at home but also to those in the armed forces.

There will be no regular publication date but the publication will come out whenever there is sufficient material available. Extracts from letters received from men in service, personal items, notices of promotions, newspaper clippings regarding them, etc., are solicited.

The planographing method lends itself flexibly to reproduction of newspaper stories and pictures, and in the first issue there is a "Round Robin" from Cincinnati friends to Harold Douthit who is a lieutenant in the army stationed at Rice, Cal., and a service cartoon by Lloyd Patterson, New York City general agent. The letter to Lieutenant Douthit is inscribed with written greetings from his friends.

Index Neb. Insurance Rulings

LINCOLN, NEB.—To avoid embarrassment that might arise from the delivery of opinions and issuance of orders in conflict with previous rulings of the department, Insurance Director Fraizer has had an index made up which covers all opinions on insurance questions given by attorneys-general, opinions and rulings of former heads of the bureau and opinions from department attorneys, running back a number of years. There are about 500 of them. The work had never previously been undertaken.

Term Cover More Popular

Combination term and ordinary policies are increasing in popularity, many prospects recognizing the need for providing for increased living expenses but at the same time being forced through curtailed surplus income to turn to lower premium coverages.

Agent Should Be Positive Sphere of Influence

Roy Kammerman, 26-year-old Philadelphia Phoenix Mutual agent, gave a most important message to the life insurance salesmen, at a farewell party for him in his agency, on the eve of his departure for military service. Excerpts from his talk were published in the bulletin of the Philadelphia Association of Life Underwriters.

"Going into the army will not make any great difference in my plans," he said. "When I come back, I will be disciplined, I'll be organized, I'll know the value of a day's work. I'll own \$30,000 worth of life insurance, and with that good start, I'll start where I left off and I'm going to sell a lot of life insurance when I return."

"There are people of the opinion that a healthy young man who is not in uniform will be ashamed to walk the streets three or four months hence. Consequently there are insurance agents who are wondering if they are doing the right thing by staying in the insurance business. Since I am in the army in the morning, I can talk. I say this to you:

Good Agents Scarce

"The agent who can really write life insurance is as much value to the war effort as the welder, or the soldier—and a whole lot harder to replace, because really good agents are scarce. I speak, of course, only of good agents and unless you're going to be good, you shouldn't be here, and you probably won't survive in the business anyhow."

"When I refer to the worth of the agent to the war effort, I do not refer primarily to the protection of families which must continue, or the fact that life insurance is a hedge against inflation; I speak of things even more intangible."

"Lack of faith on the part of the men you contact will be the biggest obstacle in your selling next year. It is the biggest deterrent in the war effort. You hit it every day. Men are wondering about inflation, deflation, repudiation. Men are speculating on the possibility of a dictatorship for this country. Men who are frozen in their tracks by fear, men who forget their primary obligation to family and country by fear of the stability of a 90 year old life insurance company, or the worth of war bonds five years from now."

"To combat this fear as a life insurance agent, you must believe so firmly in this country and in your company that nothing can ever shake you. Your convictions must be so firm that they will insulate you against all negatives. In an uncertain world you must be a positive sphere of influence and there must be thousands of life insurance agents like you, circulating through the community preaching confidence and courage to its key men. Above the crying of the commentators, above the scare headlines of the newspapers, above the half-cocked predictions of the columnists, above all the confusion and doubting, there must be calm clear voices repeating this simple faith again and again and again, keeping this country on an even keel. If

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you're strong enough to do this, you are performing a monumental service to your country, and you are achieving stature in your community."

New Horizons Seen by Conn. General in Life Insurance

An opportunity to compare a career in life insurance with other businesses is one of the introductory features of a new 32-page book, "New Horizons in Life Underwriting," published by the Connecticut General Life. A check chart on this point gives the reader a chance to compare and contrast life insurance with other careers in respect to permanence, income limitations, cumulative financial stability, etc.

In publishing "New Horizons," Connecticut General presents a comprehensive picture of the range of opportunities which the life insurance business offers new men today, opportunities not only for financial success and the building of a full and satisfying career, but also for an ever widening scope of usefulness and service to the public in meeting present world conditions.

President Wilde's Comment

Commenting on this new and broader concept of life insurance sales, in an introductory letter, F. B. Wilde, president, states: "We who have built our business careers in life insurance have had ample opportunity to measure its possibilities and rewards through many business cycles. We have seen, particularly during the past 10 years, how entirely new developments based on fundamental principles have expanded the scope of the services we render. At the same time there have been placed in the hands of the individual insurance writers new instruments that permit a completely professional approach to the needs of a far greater number of people in every walk of life."

Throughout the booklet, it is emphasized that life insurance sales work is no longer a job of "cold canvassing" in search of a prospect who will buy a "policy." Instead, the modern insurance salesman is a trained and competent adviser who fulfills the needs of his clients through a comprehensive analysis that coordinates insurance with their complete financial programs.

Former Agents Collect and Fail to Turn in Premium

COLUMBUS, O.—Complaints have been received by Superintendent Lloyd from life policyholders who have paid renewal premiums to agents who had terminated their contracts that the agents have failed to remit the premiums to the companies. In most cases companies have given assured credits.

To rectify the situation Mr. Lloyd suggests that companies, on the termination of an agent's contract and cancellation of his license, notify the assured from whom the agent has been collecting premiums. If the companies do not do this, Mr. Lloyd said he will expect them to give the policyholder due credits for premiums paid to the agents after they have left the companies.

Charge Matthews with Perjury

LINCOLN, NEB.—Jack Matthews, former president of Cosmopolitan Old Line Life, now in liquidation, has been charged with perjury in connection with testimony given in a hearing held in aid of execution. A policyholder secured a judgment for \$193,000 against Matthews for misapplication of funds as between classes of contract holders, but no property was found to levy upon. Later Matthews was summoned to court and examined as to property holdings. The charge is that he made false answers when he denied holding any property except some shares of stock.

Push "Keep Well Crusade" in Atlanta



Through arrangements made with F. B. Moore (right), manager Atlanta Building Owners & Managers Association, the Atlanta Association of Life Underwriters' Keep Well Crusade committee headed by J. E. K. Kennedy

(center) had Keep Well circulars placed on every desk in every office in the city to greet the workers one morning. More than 6,000 posters and 200,000 leaflets were distributed as a result of this effort.

New York Woman Agent Gives Slants on Sales to Women

Life insurance is her obsession, profession and religion, Lillian L. Joseph, a leading woman producer of Home Life of New York, explains. Since entering the business 11 years ago without the knowledge of her husband, A. G. Joseph, who is general agent for the company, Mrs. Joseph has built up a substantial clientele of representative women in home, business, and professional life. She is a past chairman of the women's Quarter Million Dollar Round Table and active in both local and National Life Underwriters Associations.

She works entirely through referred leads. She never gives a figure or carries a rate book. Women generally are interested in life insurance either for income or tax purposes, she says. She has sold life insurance to many housewives who have bought it without their husbands' knowledge.

Watches Small Policyholders

Mrs. Joseph finds the clients who own smaller policies are some of the best sources of prospects' names. She gives just as much attention to her \$1,000 policyholders as to those who own larger amounts. She likes to have her business on a quarterly premium basis because it enables her to see her policyholders frequently. Last year, 44 percent of her business came from old policyholders. Every month she has a list of policyholders made up whose premiums will come due during the month. She makes a personal call on these people a day or two before their premium is due. Mrs. Joseph makes a list of her prospects and calls for the following day the night before. She endeavors to make 12 calls a day.

Seen as Great Field Now

With the increased prominence of women in the life insurance picture both as prospects and agents, it is vitally important for women to do a job for themselves through life insurance. For a woman agent to do the job, she has to do it twice as well as a man.

Good Agents Now Maintaining Sales Above 1941 Level

That it is the general agent and company rather than the individual producer that is suffering from the sales slump this year is indicated by the experience of most of the companies. Various studies show that the good individual producers as a group who are still in the business are enjoying even a better production this year than they did in 1941. That would seem to indicate that the decline in business this year is due not to decreased per capita production but to the reduced number of agents. Some observers say that it is not the agent that needs a tonic these days so much as it is the general agent and the home office agency departments.

Another fact that has been noticed by a number of companies and seems to be true throughout the business is that the per capita production of agents that have been appointed this year is larger than the production of 1941 appointees. That would be taken as another indication that the individual agent is not faring too badly these days.

Favorable Mortality Rate

The mortality record for the first half of 1942 has been one of the most favorable in recent years according to U. S. Public Health Service's preliminary survey. The 10.5 death rate per 1,000 was about 5 percent less than the 1941 rate and 8 percent less than that for 1940. Cancer was the only important cause of death not to show a decrease.

The business has a wonderful future for women agents. The important thing is to get the right women who will not disrupt the work that women have already done. Otherwise, the women who do not enter life insurance to make a career will go out of the business after the war when the men return.

For motivating stories and how to use them get "The Heart Decides." By Brownold. \$1. Order from National Underwriter.

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THE BOURSE PHILADELPHIA

Among Americans Listed in International Who's Who Are Nine in Insurance

The seventh edition of "International Who's Who," a well-known "guide to world personalities in every walk of life," which was published in London (European Publications), after traveling six weeks, reached the United States safely just a few days ago. The editors may be sure that their efforts will be greatly estimated at a time when reliable information is increasingly hard to obtain on the "swiftly changing pattern of the contemporary scene."

The 1012 pages contain about 12,000 names of people of all parts of the world in contrast to the 2,400 pages of "Who's Who in America" covering 40,000 personalities almost exclusively in the United States.

The American "Who's Who" contains biographies of many hundreds of United States insurance men. The International contains nine biographies of such personalities. These are: T. A. Buckner and Walker Buckner, New York Life; Louis A. Dublin, F. H. Ecker and L. A. Lincoln, Metropolitan; M. A. Linton, Provident Mutual; S. S. Huebner, University of Pennsylvania; Alfred Manes, Indiana University, and L. Edmund Zacher, Travelers.

Redistribution of Bonds Continues in East

George Wanders, writing in the New York "Herald Tribune," states that liquidation of portfolio holdings of highest grade state and city bonds was continued on a broad scale recently by the several large insurance companies which have adopted such programs. The bond distributing machinery of the financial district in New York was kept busy at the task. It is understood that insurance companies in disposing of these securities are making funds available for enlarged purchases of U. S. Treasury tap bonds.

For the most part the redistributions of bonds were handled smoothly but according to Mr. Wanders a deal whereby Prudential sought to dispose of \$5,990,000 City of Nashville 2½ percent electric revenue bonds due 1951 to 1959 fell through. According to Mr. Wanders the market for these bonds indicated that the Prudential could liquidate on a basis that would make profitable a transfer into 2½ percent Treasury bonds. Sealed bids were submitted by three syndicates but Prudential informed the high bidder that it desired just a little bit more. However, none of the bidders felt justified in going higher and the deal fell through.

Aid Offered Policyholders Going Into War Service

Connecticut Mutual Life is enclosing an inquiry card with premium notices asking policyholders to notify the company if they expect to enter war service. "In moving about you may lose sight of premium notices, and in order to make sure that your mother, wife, children or other dependents still will have the protection which you have provided, we suggest a consideration of the following matters which one of our agency representatives will be glad to explain in detail," the card reads. The points to consider are:

1. Payment of premiums through the army or navy salary allotment plan.
2. Applicability of soldiers and sailors' civil relief act which has been set up to assist members of the armed forces in maintaining their insurance in force.
3. The company's automatic premium loan plan.
4. Giving your beneficiary or parent the authority to exercise certain rights in your policy during your absence.
5. A consideration of which may be the best place to send your premium notices, receipts, dividend notices, etc.

COMMENTS ON UNION CENTRAL PLAN

C. Milton Sherman, general agent of Connecticut Mutual at Toledo, comments on the Union Central campaign being conducted this month. The Union Central devised a plan whereby each agent is to approach some person in the community asking him to furnish two or three names of people with whom he is acquainted whose income is greater this year than a year ago. It made a test of the plan and found it successful. Mr. Sherman in commenting on the Union Central campaign and its effect says:

"Some time in 1935, when business in this office was slipping faster than our inclination to financial readjustment, we started a campaign asking for the names of two people who were making more money than they did in 1934. Our approach was prefaced with the statement that regardless of the financial situation that might exist at a given time, everyone of us knows at least two

men who are better off financially than they were the year before.

"Believe it or not, the results were astonishing. One man in the organization who seemed to be the most worthy successor of the original doubting Thomas, was taken by the hand, so to speak, and shown how to get 90 qualified names in one week.

"Aside from the fact that you will probably take my word for it, my home office can substantiate the statement. Furthermore, as you might know, I am not attempting to prove anything. The coincidence of ideas is rather interesting and, opinionated as it may sound, the approach in 1935 was psychologically better conceived because the man who was making more money than he was the year before was the exception rather than the rule. In addition, our center of influence was actually becoming aware of the fact that things were not as bad off as he assumed them to be."

Conn. Savings Banks Life Policies Total \$1,013,950

The first \$1,000,000 of savings bank life insurance in force in Connecticut has been reached by the 17 mutual savings banks offering this protection there. The amount in force Oct. 31 was \$1,013,950. Applications in the 10 months totaled \$1,366,750. Many wage earners are buying the policies, especially in the industrial cities of Bridgeport, Waterbury and New Haven. Slightly over 60 percent of applications are from wage earners. Approximately 82 percent have been for \$1,000 or less and applicants who had no previous insurance represent about 45 percent of the total.

Comparison with Massachusetts

The Connecticut mutual savings banks have written as much insurance in the first 10 months of operation as was written by Massachusetts banks in the first two years.

The Farmers & Mechanics Savings Bank, Middletown, entered the system last week, establishing a life insurance department. Eight banks now are issuing policies and 10 other are acting as agency banks.

New Accounting Officers

In view of the fact that Fred H. Eyler of General American Life has joined the McDonald Aircraft Corporation in St. Louis his position as president of the Insurance Accounting & Statistical Association has been taken by L. R. Menagh, controller of Prudential. He has been vice-president. Earle Wilkins, St. Louis manager of Joseph Froggatt & Co., is the new vice-president and G. T. Westwood, assistant secretary of American Automobile, becomes director of research, the office that was held by Mr. Wilkins.

Illinois Acts on Back Unemployment Tax

The Illinois department of labor is securing from insurance offices waivers of the statute of limitations in connection with payment of unemployment compensation tax on agents and others whose remuneration is entirely by commission. Previous to July, 1941, when the Illinois legislature amended the unemployment compensation act specifically to exclude such employees the department of labor had held that they came under the act and the tax was payable to them. The amendment made it clear that they are not subject to the act. However, the situation for the period before July, 1941, is still in doubt. The department was waiting for the Illinois supreme court to decide the matter in a test case involving the New York Life, but the statute of limitations might interfere if the supreme court case is not decided in time. Securing of waivers will obviate the necessity of the department taking action to collect the tax pending the outcome of the supreme court suit.

Increases Working Hours 10%

Prudential has increased the working hours of its clerical employees by 10 percent because of the war emergency and additional compensation will be paid. The move applies to all full time clerical employees in the home office, field offices and branch mortgage loan offices whose salaries are less than \$300 a month. The temporary additional salary will be 10 percent of the salary now received but not less than \$20 a month, for all employees whose salaries are \$250 a month or less. Employees in the \$250-\$300 range will receive a scaled down temporary additional salary.

Stress Responsibility of Women Agents Today

NEW YORK—The present is a challenge to every woman agent and is one of increasing responsibility for her, three prominent women agents stated at the opening meeting of the League of Life Insurance Women.

Women must accept this challenge and fill the larger role they are being called on to take in the business, Elsie M. Matthews, Connecticut Mutual, Newark, chairman of the women's group activities of the National Association of Life Underwriters, declared.

The increased responsibility was stressed by Beatrice Jones, Equitable Society, immediate past president of the Life Underwriters Association of New York City.

In her work with women, Lillian L. Joseph, Home Life, a former chairman of the Women's Quarter Million Dollar Round Table, said it was startling how few realized the necessity of providing for security and self-preservation as well as finding in life insurance the answer to their many other problems. She stated that she found in life insurance the answer to those needs and requirements and the answer to her aspiration to be of service to her fellow-men.

John W. Petrie Makes Change

After 22 years in the same capacity, John W. Petrie has resigned as editor of the "American Insurance Digest & Insurance Monitor" of Chicago. Mr. Petrie specialized in feature writings. He was at one time city editor of the Louisville "Courier-Journal." After army service he became associate editor of the "Insurance Field" in New York in 1919-1920. Since the latter year, he has been continuously editor of the "American Insurance Digest."

Mr. Petrie intends to remain in the business. His Chicago address is 1032 North Dearborn street.

This Manager Is "All Out" for Night Work

A manager who has been very successful in causing his salesmen to concentrate on evening calls, has this odd but effective saying: "I don't care how late they sleep in the morning, how many ball games they go to in the afternoon, but Lord help them if I catch them at a movie at night."

Write Accident & Health Bulletins, 420 E. Fourth St., Cincinnati, for plans for increasing sales.

DO YOU believe in YOU?

Lutheran Brotherhood is looking for a man who is not afraid to step out of a rut and try something new—who has enough faith in his own sales ability to be willing to enter a new and highly selective field of insurance selling. If you have that confidence in yourself—and are a Lutheran—your opportunity with Lutheran Brotherhood will be limited only by your own effort. Find out about the L-B plan and the many attractive features it offers. Write stating age and experience.

LUTHERAN BROTHERHOOD
LEGAL RESERVE LIFE INSURANCE FOR LUTHERANS
Herman L. Eken, President
606 Second Avenue So. Minneapolis, Minnesota



**THE LEADER
IN
ITS FIELD!**

AID ASSOCIATION for LUTHERANS
APPLETON, WISCONSIN

LEGAL RESERVE FRATERNALS

Bess Hodges Is New Cal. Congress Head

Mrs. Leora Gonsalves, state manager of Woman's Benefit, Los Angeles, was elected past president of the California State Fraternal Congress at its annual meeting in Oakland and Bess Hendrick Hodges, Woodmen Circle, was elected president. The other new officers are: First vice-president, Thomas L. Bacon, Woodmen of the World; second vice-president, William F. Gilroy, Modern Woodmen; treasurer, Harry S. Anderson, Ben Hur, and secretary, Nick T. Newberry, Omaha Woodmen Life.

Principal speakers were Assistant Commissioner Harold B. Haas of the California department, who stressed that fraternal hold insurance as a secondary activity and emphasized the importance of carrying on the vital work fraternal are doing and are expected to do; Senator Arthur S. Breed of California, on "Our Problems and Relations to State Legislature," and Donald Quale, past president of the California Elks Association, on "Effect of War and War Economy Upon Fraternal Organizations."

Senator Gives Views

Senator Breed explained the methods of the legislature and how the public could obtain copies of various bills to be introduced. Mr. Quale predicted a period of reconnaissance for fraternal following war such as occurred after the Spanish-American and first world wars. There are many things fraternal could do to help in the war effort, he said, and a large responsibility rests on them.

Mrs. Gonsalves presided at the session. There was an exhibition drill the first evening. A field workers breakfast was held the second morning with Lou Probst, Independent Order of Foresters, as chairman. It was decided to devote a half day to the discussion of field workers' problems at the next convention. Mr. Probst spoke on "Selling Under War Conditions" and a discussion followed.

John H. Foley, W.O.W., Denver, was toastmaster at a banquet at which George Gelder, prominent San Francisco attorney, spoke. Those attending took a trip on Lake Merritt by courtesy of the Oakland Chamber of Commerce.

Mrs. Katie Ferguson, director Woodmen Circle, installed the new officers. A pen and pencil set was presented to Mrs. Gonsalves, president during the last year. Nick T. Newberry was acting secretary. The congress voted to cooperate with the National Fraternal Congress in developing plans for a "National Youth Congress."

Fraternal Salesmen Can Get B Ration Book

An item in the issue of Nov. 27 relating to the plea of the National Fraternal Congress sent to Washington that societies' field representatives be held to be in essential work and allotted an extra gasoline ration did not make clear that the reply of the gasoline rationing division of OPM was to the effect that fraternal salesmen could have the "B" book in addition to the "A" book. This is the rule that has been applied to all insurance salesmen, who are eligible for supplemental ration for occupational purposes and also to receive tires for their cars.

To qualify for the "B" books, a salesman will have to show proof he is sharing his car with at least three other people or it is impossible to do so and alternate means of transportation are not available. The A and B books on the basis of 15 miles per gallon provide a maximum of 560 miles per month for all occupational purposes not included in the preferred mileage category, if the entire ration is for occupational purposes, the division stated. The preferred mileage—that given under the C book—will not be available to insurance salesmen.

poses, the division stated. The preferred mileage—that given under the C book—will not be available to insurance salesmen.

Several Appointments Made with Death of McLaughry

Judge James A. McLaughry, vice-president of Protected Home Circle since 1916, died at his home in Mercer, Pa., at the age of 82. He was presiding judge of Mercer county courts from 1916 to 1936. June 15, he and Mrs. McLaughry celebrated their golden wedding anniversary. There are eight children, a son being Dr. William G. McLaughry, medical director of the society, who is a captain in the army medical corps stationed at Camp Adair, Ore. Another son, DeOrmond ("Tuss") McLaughry, is head football coach at Dartmouth, and a third, J. A. McLaughry, is superintendent and one of the founders of the Quality Tools Corporation, New Wilmington, Pa.

The vacancy on the board was filled by the directors appointing Joseph Spencer, as supreme sentinel. W. R. Cubbon, Cleveland, was appointed supreme vice-president. Mr. Spencer is field director. Mr. Cubbon has been supreme guardian, to which post Frank B. Mallett, supreme guide, was appointed. Frank L. Sweet, Niagara Falls, N. Y. was moved up to supreme guide.

N. Y. Congress Meets Jan. 22

The executive committee of the New York Fraternal Congress decided to hold the next annual session Jan. 22 at the Park Central hotel, New York city. Alex O. Benz, president Aid Association for Lutherans, Appleton, Wis., and past president National Fraternal Congress, is scheduled to speak. Mr. Benz also will address the mid-winter meeting of the Maryland-District of Columbia Fraternal Congress. L. J. Bayley, Syracuse is New York Congress president.

Decide on Biennial Meetings

The national convention of Ben Hur Life hereafter will be held biennially instead of quadrennially. Hence the next convention will be held in October, 1944.

Rothman Heads Congress

Benjamin Rothman, Knights of Pythias, has been elected chairman of the Milwaukee Fraternal Congress; Joseph Nash, Elks, vice-chairman, and Mrs. Lillian Sharen, Degree of Honor, recording secretary.

Pickard on Finance Committee

Samuel Pickard, president National Manufacturers Bank, Neenah, Wis., has been elected to the finance committee of Equitable Reserve to fill the vacancy caused by the death of W. G. Brown.

Allen Now First Lieutenant

Richard F. Allen, general counsel of Standard Life of Topeka, has been commissioned a first lieutenant in the anti-aircraft branch of the air force and ordered to station at Camp Wallace, Tex. He is secretary-treasurer of the Fraternal Law Association and of the law section of the National Fraternal Congress.

Rationing Appeal Made

Representatives of United Commercial Travelers, who conferred recently with Rubber Director Jeffers, urged that salesmen be allowed enough gasoline to do 65 percent of last year's traveling.

Edblom Manages A.O.U.W.

ST. PAUL—Dudley A. Edblom has been appointed grand recorder and general manager of the Ancient Order of United Workmen of Minnesota, succeeding G. S. Francis, resigned. Mr. Edblom

Building Democracy—

SINCE 1883, Modern Woodmen of America has been a vital force in strengthening the economic and moral fiber of the nation. More than \$638,000,000 paid in benefits has kept family ties intact in countless American homes. Thousands of communities have benefited through financial assistance given unfortunate members. Teachings of the Society's Ritual stimulate patriotism and serve as a reminder of the duties and obligations of citizenship.

Down the years the Society and its local Camps have served democracy by accepting responsibility toward members, the community and the nation. Its program for nation wide sponsorship of Boy Scout troops is evidence that the Society will continue to build democracy by training boys for future citizenship.



MODERN WOODMEN OF AMERICA

(A legal reserve fraternal life insurance Society)

Assets exceed \$101,000,000

HEAD OFFICE

ROCK ISLAND, ILL.

IT'S EQUIPMENT THAT WINS BATTLESand Prospects!

With life insurance salesmen and armies—it's equipment that counts. "Getting there fustest with the mostest men" is no longer enough in modern warfare. Life insurance salesmen, too, need to do more than be first on the scene. Today's buyers are discriminating, with a sound idea of what they want. The man with the most to offer wins the sale.

Maccabees field representatives have the extra equipment they need to win their daily sales competitions. A sound, efficient Home Office management works constantly to provide them with "extra equipment" in the form of better and more attractive plans of protection to offer the public.

THE MACCABEES

5057 WOODWARD AVE., DETROIT, MICH.

took post-graduate work in insurance and actuarial work at University of Minnesota and is an associate member of the Fraternal Actuarial Association.

Servies Named Comptroller

Lawrence Servies, home office employe of Ben Hur for over eight years, has been promoted to comptroller. Mr. Servies was Democratic candidate for mayor of Crawfordsville, Ind., the head office city, this year but lost by a narrow margin to another Ben Hur member, T. L. Cooksey, a candidate for reelection.

Accident Losses Heavy in Boston

(CONTINUED FROM PAGE 3)

the value of a man in the armed service retaining his personal accident insurance so long as he remains in this country. He gets full protection from most companies while on land in the United States, Canada and the island of Oahu, for non-war caused injuries.

The common disaster problem is accentuated by the fire, since several husbands and wives died together.

Among the dead were 29 navy men, 14 army, 4 marines and four coast guard, which, if all carried the government \$10,000, would make a total National Service Life Insurance loss of \$510,000.

TRAVELERS' LOSSES

HARTFORD—In response to an inquiry Travelers states it is certain of losses as a result of the Boston fire as follows: Regular life \$7,000, group \$12,200, personal accident \$10,000, and possible losses are regular life \$20,000, group \$15,000 and personal accident \$22,000.

LOSS MAY REACH \$1,000,000

NEW YORK—Losses under life and personal accident policies as a result of the Coconut Grove fire may be close to \$1,000,000. To date knowledge of most of the claims has come from checking casualty lists in the newspapers for names of insured. Several companies have sent representatives to Boston to look into the matter.

Newspaper accident policies are not authorized in Massachusetts and there are likely to be no claims from that source, unless they were carried by out of state residents.

Estimates of losses from several companies include: Equitable Society, \$250,000; New York Life, \$90,000, plus \$20,000 double indemnity; Home Life \$16,000; Mutual Benefit \$12,000; Columbian National, \$70,000. One large company has 150 claims.

Mutual Life received this terse note: "The father was trapped and burned to death. His wife, the beneficiary, died with him."

"Thus once again is shown how sudden tragedy and life insurance inevitably are thrown together," Mutual Life observes. "And once again comes the grim but forceful reminder that wholesale death may strike not only on the battlefields of the world but at our own front door."

First Lapse in Seven Years

Frank Neu, manager at Green Bay, Wis., of National Guardian Life, has established a company record on persistency of business personally written by himself, January, 1935, to date. In addition to managing the agency Mr. Neu's personal production during that period has run to \$750,000 and the first lapse on any business that he had written occurred recently on a policy four years old. On all of the rest of the insurance, premiums are being paid.

In the first world war, people were urged by the government to borrow to buy Liberty Bonds. Today, they are being urged to pay for war bonds out of current earnings, more than half of the payroll purchase plans established to date having resulted from the efforts of life insurance agents.

NEW YORK

HOW TO RETIRE

A new book published by the Associated Press, 347 Madison avenue, New York, "How to Retire and Like It," by R. T. Kaighn, is now on sale at \$1.75. Mr. Kaighn is retired and tells what adjustments he had to make. He said that to prepare for retirement requires more than window shopping for hammocks and soft slippers. More and more, he said, people can look forward to the retirement period as government and private plans provide increasing assurance of financial independence. Life insurance steps in as a very important factor in the retirement program. The author was for more than 25 years in active personnel work and for 15 years was national personnel executive of the Y.M.C.A. movement. He was one of the founders of the Y.M.C.A. retirement fund.

FORTY-EIGHT HOUR PROPOSAL

Some of the government authorities have proposed that government workers go on a 48-hour a week schedule instead of 40 hours and that they be paid time and a half for each additional hour. This would seem to mean an increase of 30 percent in wages. The government states that it was simply setting forth this as a principle for private enterprises to follow. Offices are being strained materially these days on account of the personnel problem. They have lost a number of employees and it has been found necessary to stretch the hours of work to some extent. However, they are not prepared for a 48-hour week with extra overtime pay. It has been found necessary to stagger work at offices, make shifts here and there and resort to other devices to get the routine duties dispatched.

NEW INTERNATIONAL YEARBOOK

An International Insurance Yearbook is to be published by Starr, Park & Freeman, New York, a firm which has extensive business and financial interests, including the United States Life, Asia Life, and American International Underwriters. The preliminary work is being conducted by Miss Freda Utley, well known economist, but the complete work will probably require a year in preparation. Need for a factual and informative book on international insurance has long been felt and the yearbook format was decided upon as the most useful, since laws and regulations are constantly changing. Information will be given for all countries, in so far as it is available.

Tentatively, the book will have an introduction dealing with the historical aspects of international insurance, a comparative analysis of policies on the subject in various countries, the position of American companies in the main fields of insurance, attitude of the companies in various countries toward doing business outside of their national boundaries, a section dealing with laws and regulations in all parts of the world, analyzing apparent advantages and disadvantages for operation of American companies, a complete study of investments required for deposits and reserves, character of investments obtainable, currency control and exchange restrictions.

It will be primarily designed to inform insurance men about international insurance, but will be of interest to all who foresee a post-war expansion of international trade.

It has been estimated officially that at least two-thirds of the 80,900 doctors under 45 years of age will be required by the army and navy. That is nearly one-third of America's total medical force.

Evidence that American youth looks to the future not only for opportunity but for security appears from the fact that students buy 7 percent of all ordinary life insurance policies.

President Becker Sends Out Articles to the Field Men

President C. E. Becker of the Franklin Life is ingenious in many things that he does to interest men in the field. He is a very constant reader of insurance papers. For instance, he uses the evening time after he goes to bed and before he wants to go to sleep to reading these publications. He marks those that he thinks will have a particular interest for this man or that over the territory. His publicity department also peruses some of the papers and has the same sort of an eye as President Becker for articles that can be sent out to agents.

Therefore, a mimeographed letter signed by President Becker is used and the special article is pasted on with the request that the person to whom it is addressed read it. President Becker thus shows his interest in the field men and he understands just what sort of special material may be of particular interest and help to them.

Michigan Attorney-General Rules on Retaliatory Law

LANSING, MICH. — Attorney-general Rushton, in an opinion prepared by J. F. Shepherd, his assistant who handles insurance department legal matters, has informed Commissioner Berry that the correct measure of retaliatory taxes and fees is the rate at which Michigan companies and agents are charged in other states.

The Michigan department had received some complaints that taxes in other states were being applied in a manner which made the total tax greater than Michigan receives by levying the same rate on the same premiums or other base. The question thus arose as to whether the amount of the tax, rather than the rate, should be the yardstick, but the attorney-general's opinion indicates that the law clearly refers to rates and that this is the established method in Michigan and in nearly all other states.

Causes of Death of Spouses Make Interesting Study

An interesting study of the frequency with which the spouses of persons who died from either tuberculosis, influenza and pneumonia, cancer or heart disease have died from the same cause, was reported in a recent issue of "Public Health Reports." Records of dead parents of 2,346 life insurance policyholders

Ten Musts for Agents Who Wish to Succeed

1. You must like people.
 2. You must have an inner desire to do for others.
 3. You must like to mix with people.
 4. You must obtain reasonable working knowledge.
 5. You must do selective prospecting.
 6. You must be a self-starter.
 7. You must plan your work.
 8. You must work your plan.
 9. You must plan your sale.
 10. You must build prestige.
- Roy Ray Roberts, State Mutual, Los Angeles.

were checked against a study of 2,571 couples who died in Washington county, Md. Both sources of data showed that the relative number of persons who died from the same cause as the spouse is significantly higher when the spouse died from tuberculosis, influenza and cancer than from other causes. The tuberculosis frequency was three to six times higher than other causes. In regard to heart disease mortality the Washington county data indicates a direct relationship but the insurance data does not coincide.

Contagion is a factor in case of tuberculosis while in case of influenza and pneumonia, sources of infection, persistence of parasites and environment are factors. Environment is considered to have an influential bearing upon cancer.

Managers, Executives Lead as Large Policy Buyers

Managers and executives led all occupational groups in the purchase of big life insurance policies during the third quarter of 1942, according to the Lincoln National Life's quarterly survey of buyers of policies of \$10,000 and more. They led both in volume and number of big policies bought. Professional men ranked second and individual proprietors third in both classifications.

Listed according to number of policies bought, the occupational classifications were: Managers and executives, professional men, individual proprietors, clerks, skilled workers, salesmen, farmers, students, unskilled workers, and housewives. Listed according to volume bought, the groups ranked the same except that students ranked ahead of farmers and housewives preceded unskilled workers.

Strong

Progressive

Are You Willing to WORK for a Company Which Is Willing to WORK with You?

NORTH AMERICAN LIFE INSURANCE COMPANY



E. S. ASHBROOK
President

JOHN H. McNAMARA
Founder

PAUL McNAMARA
Vice-President

NORTH AMERICAN BUILDING, CHICAGO, ILLINOIS

Sales Ideas and Suggestions

Pension Trust Pointers Given by R. J. Lawthers

DETROIT—In preparing pension cases, underwriters must be careful not to function as attorneys or accountants, R. J. Lawthers, Boston policy department manager of John Hancock Mutual Life, warned at the first of a series of three taxation meetings sponsored by the Detroit C.L.U. chapter.

Cooperation with attorneys and accountants is vital to the continuation of pension plans, he pointed out, since opposition from these sources can often kill such plans when they are under consideration. An independent attorney with pension trust experience and an experienced accountant should participate in every case. Nevertheless the underwriter, even if he should not advise the client upon the legal aspects of the case, should know taxation and the laws involved so he can check on the case and consult intelligently with the attorney and accountant.

Sell Social Value

Pension plans should be sold for their social and economic value rather than for any avoidance of tax. The best plan, Mr. Lawthers said, is a pension trust funded by income policies of life insurance.

Every underwriter interested in pension plans should study the text of the revenue act of 1942 carefully and master its entire contents before soliciting business. He should also familiarize himself with the Senate finance committee's report covering these matters and should use these two documents as his text in setting up pension plans.

The basis of participation by employees should be either on a money purchase plan or an annuity purchase plan. Social security benefits are not sufficient to provide the retirement income needs of a majority of workers. It should be stressed that the cost of pension plans is a proper charge against production.

The entire success of a pension plan depends upon the creation of a feeling

among the employees that their employer is doing something for them. It is definitely unhealthy to seek to put such plans in effect in order to cut down the employer's taxation.

No Penalties on Withdrawals

Mr. Lawthers feels that there should be no penalty for the employee who leaves the organization, that all benefits accruing to him should be vested in the employee rather than in the trust itself. Where there are death benefits involved, these should be made payable direct to the beneficiary rather than to the trust, contrary to many such plans now in effect. The trust should own the policies but certain rights, such as the right to borrow against the cash values, should be withheld from the trust excepting under the most unusual circumstances. At maturity the employee should take his benefits as a pension and not in a lump sum.

It is best to provide that where a worker dies soon, his beneficiary receives benefits with a certain period guaranteed so that the participants can be sure that their investment will not turn out to be a losing venture for them. A joint survivorship clause should be inserted whenever possible.

Must Allow Time

When pension cases are submitted to the home office, Mr. Lawthers warned, sufficient time must be allowed for the legal department to check the plan thoroughly and make sure it is right, and that due to manpower shortages in legal departments as in other departments of the home offices, underwriters should not become impatient over reasonable delay.

He urged that no underwriter specialize exclusively in pension cases, but simply take them in his stride as a part of his daily work. He also urged that underwriters working on pension cases refrain from entering into competitive bidding wherever possible.

according to the total compensation or the basic rate of compensation, if the relationship between contributions and benefits, on the one hand, and compensation, on the other, is uniform; or

(4) The contributions or benefits with respect to earnings not taxed for federal old age benefits (for example, earnings over \$3,000 in any year) differ from those with respect to the earnings which are so taxed.

Employer Deductions

Employer payments to a qualified pension trust made within the taxable year are deductible when that year ends with-in or with the taxable year of the trust, as follows:

(a) The general rule: An amount up to 5 per cent of that year's compensation of all covered employees may be deducted. This may be reduced if the commissioner finds it unreasonable.

(b) One of two exceptions to the general rule permits deduction of an additional amount to the extent necessary to pay the remaining unfunded cost of the past and current service credits of all covered employees, actuarially determined in terms of a level amount or percentage over the remaining future service of all such employees, as this amount may be computed under regulations to be issued. An exception to this exception: If the remaining unfunded cost with respect to any three employees is more than 50 per cent of the whole such cost, the proportion attributable to those employees must be distributed over at least five years.

Deduction Allowable

(c) The second exception to the general rule permits an employer to deduct (1) the "normal cost of the plan" (determined under regulations)—that is, cost of pension credit attributable to that year's employment; plus (2) if past service or other supplementary credits are provided, and are not covered in normal cost, 1/10 of the cost required to completely fund or purchase such pension credits on date they are included in plan.

Any amounts paid into a trust in any taxable year in excess of amounts deductible may be deducted in the first succeeding years in which the full amount allowable is not deducted.

Annuity Plans

The same limitations apply to deductions for amounts used to purchase retirement annuities if they are purchased under a qualified plan, and if refunds of premiums are applied in the taxable year or the following year to the purchase of such annuities.

Contributions to a stock bonus or profit sharing trust are deductible in the year in which paid, if it ends within or with the taxable year of the trust, to an amount equal to 5 per cent of the total compensation of all beneficiaries of the plan. If the employer pays less than this 15 per cent in any year, the difference may generally be carried forward to increase permissible deductions in later years. If he pays more than is deductible in any year, he may deduct the excess in any year he does not take the full deduction.

Alimony and Alimony Trusts

"Estate and Tax News" also comments that under prior law, alimony was not deductible from the husband's, nor includible in the wife's, taxable income. The new rule is: Alimony paid periodically (whether or not at regular intervals) under a decree of divorce or separate maintenance is taxed to the wife and may be deducted by the husband. Payments under a temporary order during the pendency of the action will continue to be governed by the old rule.

Concentrating Efforts Is Answer to Gas Rationing in Rural Areas

MINNEAPOLIS—The possibilities for concentrating sales activities to offset gas rationing are being studied by Dan McLaughlin, supervisor of the Ray Habermann general agency of Northwestern National here, which covers some 85,000 miles of territory in Minnesota outside the Twin Cities.

To show how some 30 full-time agents supplemented by some part-timers can cover such a wide territory on a "B" card basis, Mr. McLaughlin prepared a chart of an imaginary community of 10,000. Actual experience figures show that in such a community an agent could make 1,285 contacts in a year, half being new contacts. Out of 1,285 contacts, 400 interviews would result with 62 applications for a total of \$115,000 paid for business, a fair average in a rural community. The other 8,715 people can be contacted by mail by sending out 100 well written letters a week. This should bring in an average of two replies a week indicating interest in buying life insurance which in turn should result in two sales a month. Estimating each sale at \$2,000 this would amount to \$48,000 extra business a year, giving the agent \$500 in commissions.

Objection Is Prospect's Way of Asking for More Information, Agents Find

The subject of meeting objections by prospects is constantly coming up because these change with the times, and agents must readjust their material accordingly. Two John Hancock Mutual men offer suggestions in this respect in the company's magazine "Signature."

A prospect doesn't study night and day to learn how to offer sales resistance, according to Frank Aragona, district agent at Hempstead, N. Y. Yet every good agent constantly is studying, reading, attending sales meetings and classes and in every way preparing himself to sell life insurance. Obviously the prospect is at a disadvantage. He is an amateur at raising objections, but the agent is a professional at meeting them.

Almost every objection can be turned to an advantage, Mr. Aragona points out. In a sense, the prospect's objections are a request for more information, not objections at all. A buyer often objects, yet once the purchase is made he immediately becomes enthusiastic about it.

Two of the real objections of nearly 50 years ago have been overcome forever, according to Harry Gardiner, general agent in New York City. These are people's skepticism and superstition about life insurance and the superstition of many. Time has proved life insurance to be safe and sound, and the public has learned that a person doesn't die any sooner because he carries it.

There are always plenty of objections—in the dark days of 1932, when the banks closed in 1933, during the depression, and now with national income at a peak. Nowadays they say that times are too unsettled, priorities may force them out of business next year; if there is inflation the value of life insurance will be depreciated; with prospects of higher taxes and no increase in income, they can't afford new insurance.

Honest objections call for more information from the agent, otherwise the prospect would have said "No" at the start. The agent's job is to give them the information they want. Buying life insurance is not an every day matter with a man. If he is interested, he objects in order to get more information.

Harris Trust Analyzes Effect of New Federal Tax Law on Pension Trusts

The "Estate and Tax News" of the Harris Trust and Savings Bank, Chicago, published a concise analysis of the revenue act of 1942 as it pertains to employees' trust and annuity plans.

It states that the qualifications for pension and other employees' trusts which are tax-exempt and the limitations as to deductibility of employer contributions thereto, have been drastically changed. A trust will not qualify for these purposes unless the following conditions are met (with certain exceptions for plans in effect on Sept. 1, 1942):

(a) The contributions to the trust (which may be made by the employer, the employee, or both) must be solely for the purpose of distributing the principal and income to the employees or their beneficiaries;

(b) It must be legally impossible to use the principal or income for any purpose other than the benefit of the employees or their beneficiaries, so long as there are any liabilities to such employees or beneficiaries under the plan; and

(c) The trust, by itself or in connection with other trusts or annuity plans set up by the employer, must benefit either (1) 70 per cent of all employees (excluding those mentioned below), or

(2) 80 per cent or more of eligible employees if 70 per cent or more (except excludible employees) are eligible under the plan (that is, 56 per cent net of employees, except those excludible, must actually be covered by plans in which employees participate). The following may be excluded: employees who have been employed for not more than a minimum length of time (not, however, more than five years) set out in the plan; employees who work for the employer for less than 20 hours a week (part-time employees); and employees who do not work for the employer more than five months a year (seasonal employees).

(d) A plan may qualify, even though it does not meet the requirements mentioned in (c), if the internal revenue commissioner determines that it is not discriminatory in favor of officers, stockholders, or supervisory or highly-paid employees.

A plan is not considered discriminatory simply because:

(1) It excludes employees who earn \$3,000 a year or less, and whose earnings are taxed for federal old age benefits; or

(2) It is limited to salaried or clerical employees; or

(3) The contributions or benefits vary

Take Constructive Action in N. Y.

(CONTINUED FROM PAGE 1)

sent to each department. It will be a guide for examination procedure in the future.

Lockhart of Texas threw a bomb in the proceedings in his condemnation of the use of incompetent examiners. He stated that no examiner should be sent out unless he is a staff man and a regular department employee. In his state the commissioner said that he required two years training when a person reached the rank of senior examiner before he was assigned to regular examination work. He referred to the fact that incompetent examiners are sent out by some states, charging \$25 a day and \$10 for sustenance. Some departments, he said, employ outside accountants. If this practice is not remedied and this type of examiner is not eliminated, he frankly stated that he would favor federal supervision.

Uniform Appraisal Blank

Harrington of Massachusetts, chairman of committee on real estate appraisals, said that the committee had adopted a uniform appraisal blank to apply to all properties owned or mortgaged other than farm properties. A farm appraisal blank will be considered later. Also there will be brought out a blank for information concerning property in process of foreclosure. This material is to be used as a guide for examiners.

The subcommittee on real estate announced that during the last six months Commissioner Viehmann of Indiana conducted a survey to determine the extent to which real estate rules adopted by the commissioners are being applied by the states. It was found that 14 report that the rules are being used in their entirety. Various reports have been received from 28 other states. A further study of this survey will be made with Viehmann in charge.

Psychological Effect

The effect of prohibition was seen in the attendance at the convention and the psychology is interesting. The notices printed in the papers signed by President Williams and Chairman Lloyd of the executive committee requested those of the third house not having any special business to transact to refrain from going to the meeting so as to assist in transportation and hotel congestion. Evidently a number were curious to know what special subjects were to be considered. Hence, everybody showed up, there being 650 in attendance, which was right on the normal line. There were 44 states represented by commissioners, the largest attendance in many years.

The association's speedy approval of the Guertin report on non-forfeiture values for life insurance policies made it possible to advance the scheduled Monday evening session of the executive committee to the afternoon.

The committee voted to accept the invitation of Commissioner Harrington to hold the annual meeting in Boston. He brought letters of invitation from Governor Saltonstall and Mayor Tobin. There were no other serious contenders for the role of host city.

No action was taken on a proposal by Viehmann of Indiana to submit to the federal manpower commission a list of insurance occupations, such as engineers, claim adjusters, and others, ranked in order of their essential character in providing the public with needed insurance service. Blackall said he felt such matters should be left to the federal government's discretion.

R. O. Watt of Moody's Investors Service reported as agent of the committee on valuation of securities other than real estate, the fact that bonds determined by examination to be "equivalent in quality" to those whose amortizability may be determined by the yield tests and/or rating tests necessitates an amount of work out of pro-

portion to the number of securities involved. Mr. Watt expressed gratification at the response of the insurers in complying with requests for information about these issues.

TO MEET IN BOSTON

Lloyd of Ohio, chairman of the executive committee, reported that it had been decided to accept the invitation to hold the next meeting in Boston at a date to be determined later by the executive committee; to adopt the simplified schedules recommended by the special subcommittee of the blanks committee and to suspend for the duration the new schedule L calling for salary data in the fire and casualty statement. At the previous day's session of the executive committee the reporting requirement was altered from salaries of \$5,000 and up to those of \$15,000 and up.

As valuations committee chairman, Pink of New York reported that no changes were made in the basis of valuation of securities. He mentioned that Deputy Superintendent Cullen of New York had called attention to the problem of companies having investments in enemy occupied territory and had suggested that some flexibility be allowed in valuing such securities and that the treatment given outstanding insurance obligations in such areas might have a bearing on the matter. It was decided that this was something that should be discussed in greater detail with the subcommittee on valuation of which Harrington, of Massachusetts is chairman.

Moody's Questionnaire

Mr. Pink said that some mayors of small cities had been disturbed by the lengthy questionnaires sent out by Moody's investment service, the committee's agent in seeking information on which to base ratings of revenue bonds such as bond issues on municipal water plants. This situation was cleared up by the explanation given by R. O. Watt of Moody's that lack of the complete information sought in the questionnaire would not affect the bond's standing.

The association adopted the memorial resolutions presented by Julian of Alabama on the deaths of Commissioners Boney of North Carolina and Taggart of Pennsylvania and on the late Paul L. Haid, president of the Insurance Executives Association and J. H. Doyle, general counsel of the National Board of Fire Underwriters. Blackall of Connecticut, Bowles of Virginia and Lloyd of Ohio spoke briefly but with feeling on their late fellow commissioners.

Read of Oklahoma reported for the examinations committee and Fraizer of Nebraska summarized the meeting of the law and legislative committee. At the invitation of Williams of Mississippi, Dr. E. E. Agger, New Jersey commissioner, addressed the Monday general session following the adoption of the Guertin report on nonforfeiture values for life companies.

Bowles of Virginia reported for the law and legislation committee. Because of the compressed schedule meetings of the countersignature and taxation com-

mittees were omitted. For the same reason the suggestion of the subcommittee on taxation of marine premiums that the midwestern commissioners conference hold a meeting to discuss the proposal adopted in 1941 by the western conference was not followed out.

Harrington of Massachusetts, reporting as chairman of the industrial life committee suggested that in order that all states may be fully informed as to the operations of industrial companies all examiners be instructed to indicate in their examinations of industrial companies the extent to which they meet the minimum qualifications adopted at the commissioners Denver meeting last June.

COMMISSIONERS NOTES

There were 44 states answering to roll call at the commissioners meeting, one of the largest records in attendance. La France of Quebec and McNairn of Ontario were at hand.

It was voted to appoint a committee to prepare a memorial in tribute to the late Commissioner Dan C. Boney of North Carolina and Commissioner M. H. Taggart of Pennsylvania. On motion of Gough of New Jersey the committee was also instructed to include in the memorial Paul Haid, president Insurance Executives Association, and J. H. Doyle, general counsel National Board. The committee consists of Julian, Alabama; Alexander, Pennsylvania, and Hodges, North Carolina.

It was announced that all new commissioners would replace their predecessors on various committees.

President John Sharp Williams at the opening general session called on all newly appointed commissioners to arise and take a bow. Among these were Carroll of Rhode Island, Hodges of North Carolina, Graves of Arkansas, Alexander of Pennsylvania. Commissioner Egleson of South Carolina was not present.

Henry S. Moser, prominent Chicago attorney, who attends the commissioners meetings gave a reception Monday evening in his hotel suite. A buffet dinner was served and then all hands were his guests at a theater party.

NEW YORK LIFE WINS

The U. S. district court has rendered a decision in favor of the New York Life in Laventhal against that company. In this action to recover the double indemnity benefits, it was established that the policy owner committed suicide by hanging himself. The plaintiff contends that at the time the assured was insane but the court found that the assured had mental capacity to appreciate the wrongfulness and moral consequences of his act and that he was not therefore insane. Although the plaintiff is entitled to the presumption against suicide, this does not relieve her of the burden of proving the fact of insanity upon which she bases her claim, the court said. The presumption places upon the defendant the burden of going forward with the evidence on the question of whether death was accidental or suicidal, but not the burden of proof of sanity.

J. L. Burgess, district manager at Orlando, Fla., for Mutual Life, has been elected to membership in the famous "40 and 8" organization of the American Legion. Mr. Burgess was the first man in Florida to be so honored.

Group Hospitalization Installed at Indiana U.

Establishment of a hospitalization and surgical expense insurance plan for employees on the Bloomington campus of Indiana University and their dependents is announced. All full-time members of the administrative, faculty and clerical staffs are eligible to participate. The insurance will become available in other departments as soon as 75 percent of the employees make application. The insurance was arranged by John Hancock Mutual with Ed R. Grisell, Indianapolis, and George H. Hipp, Cincinnati, assisting in the installment.

Two schedules of benefits are provided—one for employees earning less than \$2,400, and another those who earn \$2,400 or more. The administrative expenses are borne by the university.

At a cost of \$3.71 per month a professor is eligible for \$6 for each day he is in the hospital, with a 70-day maximum for each disability; up to \$30 for special hospital service fees, and surgical expense up to a maximum of \$150 for each period of disability; and the professor's dependents are each eligible for \$4.50 per day in the hospital with a 31-day maximum; up to \$22.50 for special hospital service fees, and surgical expense up to a maximum of \$75.

A secretary, without dependents, at a cost of \$1.24 per month is eligible for \$4 per day, with a 70-day maximum, up to \$20 for special fees, and surgical expense of \$150.

Still Desire Agents' Aid in F and G Bond Drive

Although the sale of F and G war bonds along with other market issues of the Treasury department has been turned over to the Victory Fund committee, the services of life insurance agents are still desired in this undertaking. George Buffington, assistant to the Secretary of the Treasury in Washington, is in direct charge of this activity. The original intention was to have the war savings staff, which looks after the sale of Series E bonds, handle the new program as well. The Treasury department desires to use the services of life insurance agents in the sale of F and G bonds just as it had been planned when the project was under the war savings staff. The 12 chairmen of the Victory Fund committee are:

W. W. Paddock, Boston; Allan Sproul, New York; Alfred H. Williams, Philadelphia; M. J. Fleming, Cleveland; Hugh Leach, Richmond; W. S. McLarin, Jr., Atlanta; C. S. Young, Chicago; Chester C. Davis, St. Louis; J. N. Peyton, Minneapolis; H. G. Leedy, Kansas City; R. R. Gilbert, Dallas, and William A. Day, San Francisco.

Has "Fighting Dollars" Campaign

Agents of West Coast Life are conducting a "fighting dollars" production campaign, rewards for which will be \$25 war bonds. The results are based upon points—500 to win. Ten points are credited for each \$1,000 completed application; 20 points for each \$2,000 case and extra points for cash settlements. The drive closes Dec. 12. A number of men already have won the award.

THOMAS H. STEERS
Office Planning and Methods Consultant
for
LIFE, FIRE AND CASUALTY INSURANCE COMPANIES
Conway Building
Chicago, Illinois

REST Replacement Center
Real rest helps you work to win
...all Mayfair rooms are air-conditioned and noise-proofed...all beds have inner-spring mattresses.
HOTEL Mayfair ST. LOUIS
Over 50% of all rooms \$3.50 or less single

INSURANCE HEADQUARTERS → **HOTEL ALFRED LEWIS, MGR.**
TAFT
7th AVE. AT 50th ST. NEW YORK
TIMES SQUARE AT RADIO CITY
BING & BING MANAGEMENT
2000 ROOMS, BATH AND RADIO FROM \$2.50
Public rooms for banquets, dances and special employee functions. Ideal accommodations for group meetings of field men, agents & brokers.
WRITE JIM BLAINY FOR RESERVATIONS

BUILD YOUR OWN AGENCY IN 1943

When today's wartime "business as UNusual" gives way to a victorious "business as usual," be ready to cash in on the new opportunities in life insurance selling.



This is the time for self-appraisal . . . time to evaluate your outlook for future success . . . time, perhaps, to start building your own agency!

Such an opportunity is being offered to qualified applicants—in a number of choice locations—by a nationally-known, old-line legal reserve company with more than a half-billion of Life, Accident & Health, and Group Insurance in force.

Consideration will be given only to "family" men between the ages of 35 and 50—preferably with children—who can present evidence of satisfactory personal production.

In your letter of application, please give a complete history of experience, age, family status, and paid volume record for past two years

Opportunity is knocking at your door—perhaps the very one you've been waiting for. Write *today*.



AGENCY-BUILDING OPPORTUNITIES ARE OFFERED IN THE FOLLOWING LOCATIONS:

MICHIGAN: Detroit • INDIANA: Indianapolis, Evansville.

OHIO: Cleveland, Toledo, Cincinnati, Akron, Dayton.

PENNSYLVANIA: Philadelphia, Erie, Harrisburg.

Write: Box Q-82, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.



200,000 AMERICANS DO THEIR BIT

Probably the last thing in the world that a policy owner thinks when he mails his check to the Provident Mutual is that he is helping achieve victory for America. Yet he is helping materially—not in one way, but in three.

First, he is helping FINANCIALLY. His premium dollars are not kept in a safe. Instead, his reserves are quickly reinvested in government bonds, railway equipment, mortgages, and essential American industries. Since Pearl Harbor nearly 13 million dollars of Provident assets have been invested in United States Government bonds alone.

Second, he is helping ECONOMICALLY. By saving instead of spending he is helping to raise a bulwark against the threat of inflation and the chaos which would follow it.

Third, and exceedingly important, he is helping SOCIALLY. By protecting his own family he is maintaining morale and relieving the government of taking care of his family in case of disaster to himself.

From New England to California, 200,000 Provident policyholders—men and women—are doubtless working for victory in many, many fields. Some of them are air wardens; some sell U. S. War Bonds; many are in the armed services. Their ownership of life insurance is incidental to their war effort. Nevertheless it is an important contribution.

STABILITY—SAFETY—SECURITY

PROVIDENT MUTUAL
 LIFE INSURANCE COMPANY OF PHILADELPHIA
 Pennsylvania • Founded 1865

Three ways for a man in uniform to keep his life insurance in force

Many of our policyholders have asked:

"How can my life insurance be kept in force while I am in the military or naval service of the United States?"

For the benefit of Service men and their

relatives, we should like to point out that there are three principal methods by which those who have entered the armed forces can keep their life insurance in force.



1. Direct Payment. You, or a member of your family on your behalf, may make premium payments to your agent, or by mail, or in person to a Metropolitan District Office, or to the Home Office.



2. Government Allotment of Pay. Under this arrangement, you may authorize the Government to make deductions from your pay each month and remit them to Metropolitan. The Company will adjust your premiums to a monthly basis for this purpose, no matter on what basis you have paid premiums in the past. Your commanding officer will provide the required form which you can fill out authorizing the Government to make these deductions.



3. Soldiers' and Sailors' Civil Relief Act. Among other things, this Act provides that policies, eligible under the law and approved by United States Government authorities for the benefits provided by the Act, will not lapse while you are in the Service during the present emergency. Unpaid premiums are charged as an indebtedness against the policy, subject to an accounting and settlement with the Government when your service is over, or upon prior maturity of the policy.

The form on which you can make application for the benefits of the Act, and any other information in regard to it, will be provided by the Government through your commanding officer. In general, insurance not in excess of \$10,000, in good standing and not subject to any limitation as to cause of death, is eligible under the Act.

**BUY WAR SAVINGS STAMPS—
FROM ANY METROPOLITAN AGENT,
OR AT ANY METROPOLITAN OFFICE**

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This is Number 55 in a series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. Copies of preceding advertisements in this series will be mailed upon request.

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)

Frederick H. Ecker, CHAIRMAN OF THE BOARD
Leroy A. Lincoln, PRESIDENT

1 MADISON AVENUE, NEW YORK, N. Y.



EACH of the above methods of keeping your life insurance in force has its advantages, depending upon individual cases. The important thing is to make sure that it is kept in force while you are in the Service. The Company will be glad to assist you in arranging the method best suited to your particular circumstances. If you are a Metropolitan policyholder, consult your agent or a District Office, or write to the War Service Insurance Bureau at the Home Office in New York City.

THIS IS THE FIFTY-FIFTH in Metropolitan's series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. It appears in: Saturday Evening Post, Dec. 5; Col-

lier's, Dec. 5; Business Week, Dec. 5; Forbes, Dec. 1; American Mercury, Dec.; This Week, Dec. 13; Newsweek, Dec. 7; American Weekly, Dec. 6; United States News, Dec. 4.